

229357

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1920 N STREET, NW. (8<sup>TH</sup> FL.)  
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Tel.: (202) 263-4152 Fax: (202) 331-8330  
e-mail: xlccgc@verizon.net

April 20, 2011

VIA ELECTRONIC FILING

Ms. Cynthia T. Brown  
Chief, Section of Administration  
Office of Proceedings  
Surface Transportation Board  
395 E Street, SW  
Washington, D. C. 20423

**FILED**  
APR 20 2011  
SURFACE  
TRANSPORTATION BOARD

Dear Ms. Brown:

Attached for filing in STB Docket No. AB-1074X, Lassen Valley Railway, LLC—  
Petition for Abandonment Exemption—in Washoe County, NV, and Lassen County, CA.  
is the verified Petition for Abandonment Exemption of Lassen Valley Railway, LLC.

The authorization to charge my credit card \$6,300.00 in payment of the filing fee  
was faxed to the Board earlier today.

If you have any questions concerning this filing or if I otherwise can be of  
assistance, please get back to me.

Sincerely yours,

  
Fritz R. Kahn

att.

cc: Victoria J. Rutson, Esq.

ENTERED  
Office of Proceedings  
APR 20 2011  
Part of  
Public Record

**FEE RECEIVED**  
APR 20 2011  
SURFACE  
TRANSPORTATION BOARD

SURFACE TRANSPORTATION BOARD  
WASHINGTON, DC

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STB Docket No. AB-1074X

LASSEN VALLEY RAILWAY, LLC  
--PETITION FOR ABANDONMENT EXEMPTION--  
IN WASHOE COUNTY, NV, AND LASSEN COUNTY, CA

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PETITION FOR ABANDONMENT EXEMPTION  
OF  
LASSEN VALLEY RAILWAY, LLC

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SURFACE  
TRANSPORTATION BOARD

Fritz R. Kahn  
Fritz R. Kahn, P.C.  
1920 N Street, NW (8th fl.)  
Washington, DC 20036  
Tel.: (202) 263-4152

Attorney for

LASSEN VALLEY RAILWAY, LLC

Dated: April 20, 2011

**FEE RECEIVED**

APR 20 2011

SURFACE  
TRANSPORTATION BOARD

SURFACE TRANSPORTATION BOARD  
WASHINGTON, DC

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STB Docket No. AB-1074X

LASSEN VALLEY RAILWAY, LLC  
--PETITION FOR ABANDONMENT EXEMPTION--  
IN WASHOE COUNTY, NV, AND LASSEN COUNTY, CA

---

PETITION FOR ABANDONMENT EXEMPTION  
OF  
LASSEN VALLEY RAILWAY, LLC

Lassen Valley Railway, LLC ("LVR"), pursuant to 49 U.S.C. §10502(a) and 49 C.F.R. §1121.1 et seq., seeks an exemption from the prior approval requirements of 49 U.S.C. §10903 and 49 C.F.R. §1152.1, et seq., to abandon its line of railroad, and, in support of its Petition for Abandonment Exemption, LVR states, as follows:

I.

The line proposed to be abandoned

The line which LVR proposes to abandon extends between Milepost 338.33 near Flanigan, Washoe County, Nevada, and Milepost 359.25 near Wendel, Lassen County, California, a distance of 21.77 miles. The line traverses U.S. Postal Service Zip Codes 89405, 96113, 96130 and 96136, and there are no stations on the line.

As LVR's Vice President, Michael J. Van Wagenen, Esq., details in his Verified Statement, attached as Attachment G, the line was acquired as a rail carrier by LVR from its former owner and operator, Union Pacific Railroad Company ("UP"), pursuant to the Notice of Exemption in STB Finance Docket No. 35306, Lassen Valley Railway

Acquisition and Operation Exemption--Union Pacific Railroad Company, served December 3, 2009, 74 Fed. Reg. 63501, December 3, 2009. UP had been authorized to abandon the line, including the embraced remnant of the Susanville Industrial Lead between Milepost 358.68 and Milepost 359.25 near Wendel, by Decision of the Board in STB Docket No. 33 (Sub-No. 230X), Union Pacific Railroad Company--Abandonment Exemption--in Lassen County, CA and Washoe County, NV, served January 26, 2007, the effective date of which was deferred by Decisions served February 2, 2007, August 5, 2008, and September 19, 2008, until October 19, 2008. In its Decision the Board noted that since 2004 there had been no shipper on the line, and the only traffic which had moved on the line was by UP's contractors of scrap railroad track materials from abandoned UP railroad lines. Nevertheless, UP did not consummate the abandonment.

Lassen County believed preserving the line as an active line of railroad was important to the County's economic development and asked UP to defer abandoning the line while the County tried to come up with the financing to acquire the line. UP agreed and allowed the County until August 17, 2009, to come up with a proposal for the acquisition of the line. On August 6, 2009, Mr. Van Wagenen advised the County that V&S Railway, LLC or an affiliate may be interested in buying the line from the UP and operating it for at least one year's time. The Board of Supervisors of Lassen County enthusiastically supported the proposal.

On August 10, 2009, LVR advised the County and its two potential shippers, HL Power Company and Mr. Vincent P. Estell, that it would agree to purchase the Flanigan-to-Wendel line from UP and operate it as an active line of railroad for at least one year. LVR thereupon filed its Notice of Exemption to acquire and operate the line.

The year was up December 17, 2010. In the meantime, HL Power Company, the plant of which is approximately two miles distant from the line which LVR was authorized by the Board to acquire and operate, has installed no connecting track and has neither tendered nor received any traffic for handling by LVR. Similarly, the site which Mr. Estell hopes to develop is approximately two miles removed from the LVR's line, and Mr. Estell has laid no track connecting his site to the LVR and has neither tendered nor received any traffic for transportation by LVR. There are no other shippers on the LVR.

On January 17, 2011, Mr. Van Wagenen sent a letter to Mr. Ralph Sanders, Plant Manager of HL Power Company, and Mr. Estell requesting them to give him an update on their operations and their need for rail services. He received no response from either HL Power Company or Mr. Estell.

On February 11, 2011, Mr. Van Wagenen sent another letter to Mr. Sanders and Mr. Estell advising them that LVR was considering abandoning its line of railroad and inviting them to make an offer to acquire the line if they had a need for railroad service. Mr. Van Wagenen received no written response from either Mr. Sanders or Mr. Estell. Whereupon Mr. Van Wagenen telephoned Mr. Estell, who said that he was trying to persuade Lassen County to acquire the line but to date unsuccessfully. Mr. Estell said he had spoken with Mr. Sanders, who said that HL Power Company was not interested in purchasing the line.

There has not been a single shipment on the LVR the entire time since the Board authorized LVR's acquisition and operation of the Flanigan-to-Wendel line. In other words, no revenue freight has moved on the line since 2004.

## II.

### The exemption proposal

LVR, pursuant to 49 C.F.R. §1152.50, seeks an exemption to abandon its Flanigan-to-Wendel line of railroad.

LVR has been advised that segments of the line may contain federally granted rights-of-way. Any documentation in LVR's possession regarding the line will be made available to those requesting it.

The abandonment will not be consummated until at least 50 days from the date of the filing of the instant Petition for Exempt Abandonment.

The exact name of the petitioner is the Lassen Valley Railway, LLC. It is a rail carrier subject to the regulatory jurisdiction of the Board. The proposal is to abandon the entire railroad line, between Milepost 338.33 near Flanigan, Washoe County, Nevada, and Milepost 359.25 near Wendel, Lassen County, California.

A detailed map of the line proposed for abandonment is Attachment A.

The petitioner's representative to whom correspondence should be sent is Fritz R. Kahn, Fritz R. Kahn, P.C. 1910 N Street, NW (8th floor), Washington, DC 20036, whose e-mail address is xicgc@verizon.net.

The Flanigan-to-Wendel line traverses U.S. Postal Service Zip Codes 89405, 96113, 96130 and 96135, and there are no stations on the line.

The right-of-way of the abandoned line may be suitable for public use or for rail banking/trail use, particularly since, as is emphasized in the accompanying Environmental and Historic Report, attached as Appendix F, none of the five trestles along the line is to be removed, if the Board were to authorize the abandonment.

If authorized by the Board, the abandonment of the Flanigan-to-Wendel line will be subject to the employee protective conditions of Oregon Short Line Railroad-- Abandonment Portion Goshen Branch Between Firth & Ammon, in Bingham & Bonneville Counties, Idaho, 360 I.C.C. 91 (1979).

LVR, by its counsel, certifies that the notice requirement of 49 C.F.R. §1152.50(d)(1) has been complied with. Copies of the letters which were sent are attached as Attachment B.

LVR, by its counsel, certifies that the notice requirement of 49 C.F.R. §1105.11 has been complied with. Copies of the letters which were sent are attached as Attachment C.

Notices of the proposed abandonment were published on March 25, 2011, in the Reno Gazette-Journal, a newspaper of general circulation in Washoe County, Nevada, and on March 22, 2011, in the Times, a newspaper of general circulation in Lassen County, California. Affidavits of publication are attached as Attachment D.

A draft Federal Register notice is attached as Attachment E.

The Environmental and Historic Report is attached as Attachment F.

The Verified Statement of Vice President Michael J. Van Wagenen is attached as Attachment G.

The Verification of Mr. Kern W. Schumacher is attached as Appendix H.

### III.

#### Grounds for granting the exemption.

Under 49 U.S.C. §10903, a rail line may not be abandoned without the Board's prior approval. Under 49 U.S.C. §10502, however, the Board must exempt a transaction

or service from regulation when it finds that: (1) continued regulation is not necessary to carry out the rail transportation policy of 49 U.S.C. §10101 and (2) either (a) the transaction or service is of limited scope or (b) regulation is not needed to protect shippers from the abuse of market power. See, Docket No. AB 55 (Sub-No. 701X), CSX Transportation, Inc.—Abandonment Exemption—in Vigo County, Ind., served August 16, 2010; Docket No. AB 55 (Sub-No. 702X), CSX Transportation, Inc.—Abandonment Exemption—in Marion County, Ind., served August 12, 2010. The proposed abandonment of LVR's Flanigan-to-Wendel rail line clearly satisfies these exemption standards.

Detailed scrutiny by the Board of the proposed abandonment of LVR's Flanigan-to-Wendel rail line under 49 U.S.C. §10903 and 49 C.F.R. §1152.1, et seq., is not necessary to carry out the rail transportation policy of 49 U.S.C. §10101. By minimizing the administrative expense of the application process, an exemption will expedite regulatory action and reduce regulatory barriers to exit, in accordance with 49 U.S.C. §§10101(2) and (7). The exemption will foster sound economic conditions and encourage efficient management by permitting the rationalization of unnecessary common carrier rail lines, consistent with 49 U.S.C. §§10101(5) and (9). Other aspects of the rail transportation policy will not be adversely affected. See, Docket No. AB 384 (Sub-No. 3X), Delta Southern Railroad, Inc.—Abandonment Exemption—in Desha and Chicot Counties, Ark., served March 25, 2011; Docket No. AB 55 (Sub-No. 703X), CSX Transportation, Inc.—Abandonment Exemption—in Chesterfield and Darlington Counties, S.C., served January 19, 2011; Docket No. AB 415 (Sub-No. 2X), Escanaba & Lake



Superior Railroad Company--Abandonment Exemption--in Ontonagon and Houghton Counties, Mich., served September 27, 2010.

Regulation of the proposed transaction is not required to protect shippers from the abuse of market power. Id. As already noted, there is not a shipper situated on the 21.77-mile railroad line. The two potential shippers, HL Power Company and Mr. Vincent P. Estell, are two miles distant from the railroad line proposed to be abandoned, and neither one has expressed any interest in acquiring the line. Not a single carload of traffic has moved on the line since more than a year ago LVR was authorized by the Board to acquire and operate it. Indeed, no revenue freight has moved on the line since 2004.

The grant of the exemption is fully warranted.

WHEEFORE, Petitioner, Lassen Valley Railway, LLC respectfully requests that, pursuant to 49 U.S.C. §10502(a) and 49 C.F.R. §1121.1, et seq., it be granted an exemption from the provisions of 49 U.S.C. §10903 and 49 C.F.R. §1152.1, et seq., to abandon its rail line between Milepost 338.33 near Flanigan, Washoe County, Nevada, and Milepost 359.25 near Wendel, Lassen County, California.

Respectfully submitted,

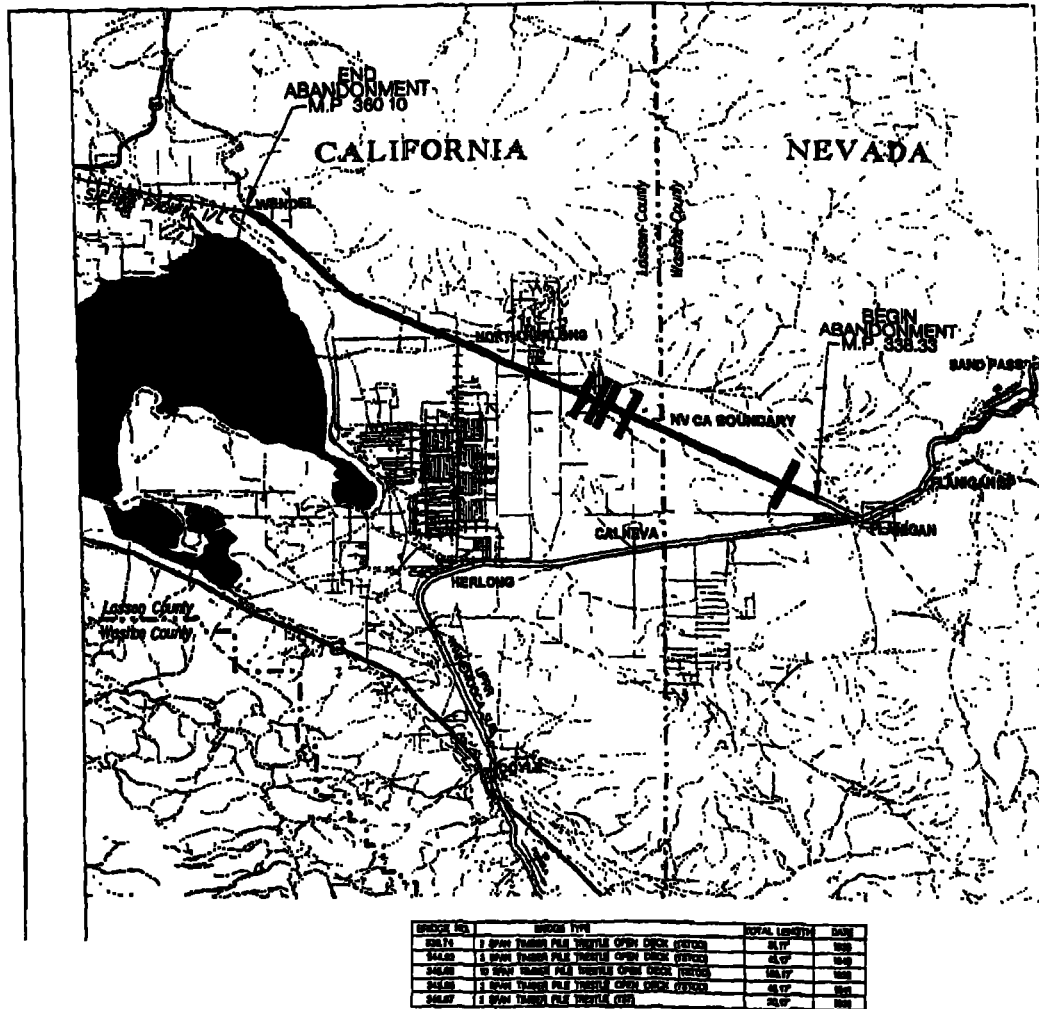
LASSEN VALLEY RAILWAY, LLC

By its attorney,



Fritz R. Kahn  
Fritz R. Kahn, P.C.  
1920 N Street, NW (8th fl.)  
Washington, DC 20036  
Tel.: (202) 263-4152

Dated: April 20, 2011



## LASSEN VALLEY RAILWAY, LLC

Proposed abandonment

(Location of bridges noted.)

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FRITZ R. KAHN, P.C.  
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WASHINGTON, DC 20036  
Tel.: (202) 263-4152 Fax: (202) 331-8330  
e-mail: xicccg@verizon.net

April 5, 2011

Chairman Alaina Burtenshaw  
Public Utilities Commission of Nevada  
1150 E. William Street  
Carson City, NV 89701

Dear Ms. Burtenshaw:

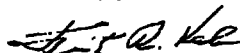
Please be advised that on or about April 15, 2011, Lassen Valley Railway, LLC will file with the Surface Transportation Board its Petition for Abandonment Exemption to secure the agency's authorization to abandon its line of railroad extending between Milepost 338.33 near Flanigan, Washoe County, Nevada, and Milepost 359.25 near Wendel, Lassen County, California, a distance of 21.77 miles. The Petition will bear STB Docket No. AB-1074X.

The line traverses U.S. Postal Zip Codes 89405, 96113, 96130 and 96136, and there is no station on the line.

Based on information in the possession of Lassen Valley Railway, LLC, segments of the railroad line may contain federally granted rights-of-way. Any documentation in the railroad's possession will be made available promptly to those requesting it.

If you have any question concerning the foregoing, please get back to me.

Sincerely yours,

  
Fritz R. Kahn

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WASHINGTON, DC 20036  
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e-mail: xlccgc@verizon.net

April 5, 2011

President Michael R. Peevey  
California Public Utilities Commission  
505 Van Ness Avenue  
San Francisco, CA 94102

Dear Mr. Peevey:

Please be advised that on or about April 15, 2011, Lassen Valley Railway, LLC will file with the Surface Transportation Board its Petition for Abandonment Exemption to secure the agency's authorization to abandon its line of railroad extending between Milepost 338.33 near Flanigan, Washoe County, Nevada, and Milepost 359.25 near Wendel, Lassen County, California, a distance of 21.77 miles. The Petition will bear STB Docket No. AB-1074X.

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e-mail. xiccgc@verizon.net

April 5, 2011

MSDDC - Transportation Engineering Agency  
Attn.: SDTE-SA (Railroad for National Defense)  
709 Ward Drive Bldg. 1990  
Scott AFB. IL 62225-5357

Dear Sir/Madam:

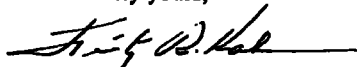
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April 5, 2011

Mr. William D. "Bill" Shaddox  
Chief, Land Resources Division  
National Park Service, Department of the Interior  
1201 I Street, NW  
Washington, DC 20005

Dear Mr. Shaddox:

Please be advised that on or about April 15, 2011, Lassen Valley Railway, LLC will file with the Surface Transportation Board its Petition for Abandonment Exemption to secure the agency's authorization to abandon its line of railroad extending between Milepost 338.33 near Flanigan, Washoe County, Nevada, and Milepost 359.25 near Wendel, Lassen County, California, a distance of 21.77 miles. The Petition will bear STB Docket No. AB-1074X.

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e-mail: xicgc@verizon.net

April 5, 2011

Ms. Abigail R. Kimbell  
Chief, U.S.D.A. Forest Service  
201 14th Street, SW (4th fl.)  
Washington, DC 20520

Dear Ms. Kimbell:


Please be advised that on or about April 15, 2011, Lassen Valley Railway, LLC will file with the Surface Transportation Board its Petition for Abandonment Exemption to secure the agency's authorization to abandon its line of railroad extending between Milepost 338.33 near Flanigan, Washoe County, Nevada, and Milepost 359.25 near Wendel, Lassen County, California, a distance of 21.77 miles. The Petition will bear STB Docket No. AB-1074X.

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e-mail: xccgc@verizon.net

April 5, 2011

Mr. D. Thomas Ross, Assistant Director  
Recreation and Conservation  
National Park Service - Dept. of Interior  
1849 C Street, NW  
Washington, DC 20240-0001

Dear Mr. Ross:

Please be advised that on or about April 15, 2011, Lassen Valley Railway, LLC will file with the Surface Transportation Board its Petition for Abandonment Exemption to secure the agency's authorization to abandon its line of railroad extending between Milepost 338.33 near Flanigan, Washoe County, Nevada, and Milepost 359.25 near Wendel, Lassen County, California, a distance of 21.77 miles. The Petition will bear STB Docket No. AB-1074X.

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e-mail: xicgoc@verizon.net

March 31, 2011

Mr. Donald L. Cavallo  
Public Administrator  
Washoe County  
P. O. Box 7360  
Reno, NV 89510-7360

re: STB Docket No. AB-1074X, Lassen Valley Railway, LLC--Petition for  
Abandonment Exemption--in Washoe County, NV, and Lassen County, CA

Dear Mr. Cavallo:

On or about April 15, 2011, Lassen Valley Railway, LLC ("LVR") expects to file with the Surface Transportation Board ("STB") its petition for abandonment exemption to abandon its line between Milepost 338.33 near Flanigan, Washoe County, NV, and Milepost 359.25 near Wendel, Lassen County, CA. Sent to you on March 29, 2011, was an Environmental and Historic Report describing the proposed action and any expected environmental and historic effects, as well as a map of the affected area.

LVR provided this Report so that you may review the information that will form the basis for the STB's independent environmental analysis of this proceeding. If any of the information is misleading or incorrect, if you believe that pertinent information is missing, or if you have any questions about the STB's environmental review process, please contact the STB's Office of Environmental Analysis, 395 E Street, SW, Washington, DC 20423 (tel.: (202) 245-0295) and refer to the above docket number. Because the applicable statutes and regulations impose stringent deadlines for processing this action, your written comments, with a copy to me, would be appreciated within three weeks.

Your comments will be considered by the STB in evaluating the environmental and/or historic preservation impacts of the contemplated action. If there are any questions concerning the proposal, please contact me by mail, e-mail or telephone.

Sincerely yours,

  
Fritz R. Kahn

enc.  
cc: Victoria J. Rutson, Esq.

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March 31, 2011

Mr. Tom C. Stone  
County Administrative Officer  
Lassen County  
221 S. Roop St. (#4)  
Susanville, CA 96130

re: STB Docket No. AB-1074X, Lassen Valley Railway, LLC--Petition for  
Abandonment Exemption--in Washoe County, NV, and Lassen County, CA

Dear Mr. Stone:

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e-mail: [xiccgc@venzant.net](mailto:xiccgc@venzant.net)

March 31, 2011

U.S. Fish and Wildlife Service  
911 NE 11th Avenue  
Portland, OR 97232-4181

re: STB Docket No. AB-1074X, Lassen Valley Railway, LLC--Petition for  
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March 31, 2011\

Natural Resources Conservation Service  
430 G Street (#4164)  
Davis, CA 95616-4164

re: STB Docket No. AB-1074X, Lassen Valley Railway, LLC--Petition for  
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WASHINGTON, DC 20036  
Tel.: (202) 263-4152 Fax: (202) 331-8330  
e-mail: [xlccgc@verizon.net](mailto:xlccgc@verizon.net)

March 31, 2011

National Park Service  
1111 Jackson St. (#700)  
Oakland, CA 94607

re: STB Docket No. AB-1074X, Lassen Valley Railway, LLC--Petition for  
Abandonment Exemption--in Washoe County, NV, and Lassen County, CA

Dear Sir/Madam:

On or about April 15, 2011, Lassen Valley Railway, LLC ("LVR") expects to file with the Surface Transportation Board ("STB") its petition for abandonment exemption to abandon its line between Milepost 338.33 near Flanigan, Washoe County, NV, and Milepost 359.25 near Wendel, Lassen County, CA. Sent to you on March 29, 2011, was an Environmental and Historic Report describing the proposed action and any expected environmental and historic effects, as well as a map of the affected area.

LVR provided this Report so that you may review the information that will form the basis for the STB's independent environmental analysis of this proceeding. If any of the information is misleading or incorrect, if you believe that pertinent information is missing, or if you have any questions about the STB's environmental review process, please contact the STB's Office of Environmental Analysis, 395 E Street, SW, Washington, DC 20423 (tel.: (202) 245-0295) and refer to the above docket number. Because the applicable statutes and regulations impose stringent deadlines for processing this action, your written comments, with a copy to me, would be appreciated within three weeks.

Your comments will be considered by the STB in evaluating the environmental and/or historic preservation impacts of the contemplated action. If there are any questions concerning the proposal, please contact me by mail, e-mail or telephone.

Sincerely yours,



Fritz R. Kahn

enc.

cc: Victoria J. Rutson, Esq.

LAW OFFICES  
FRITZ R. KAHN, P.C.  
1920 N STREET, NW. (8<sup>TH</sup> FL.)  
WASHINGTON, DC 20036  
Tel.: (202) 263-4152 Fax: (202) 331-8330  
e-mail: xiccgc@venzont.net

March 31, 2011

U.S. Environmental Protection Agency  
75 Hawthorne Street  
San Francisco, CA 94105

re: STB Docket No. AB-1074X, Lassen Valley Railway, LLC--Petition for  
Abandonment Exemption--in Washoe County, NV, and Lassen County, CA

Dear Sir/Madam:

On or about April 15, 2011, Lassen Valley Railway, LLC ("LVR") expects to file with the Surface Transportation Board ("STB") its petition for abandonment exemption to abandon its line between Milepost 338.33 near Flanigan, Washoe County, NV, and Milepost 359.25 near Wendel, Lassen County, CA. Sent to you on March 29, 2011, was an Environmental and Historic Report describing the proposed action and any expected environmental and historic effects, as well as a map of the affected area.

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Fritz R. Kahn

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cc: Victoria J. Rutson, Esq.

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1920 N STREET, NW. (8<sup>TH</sup> FL.)  
WASHINGTON, DC 20036  
Tel.: (202) 263-4152 Fax: (202) 331-8330  
e-mail: xccgc@verizon.net

March 31, 2011

NGS Spatial Reference System Div.  
NOAA M/NGS2  
1315 East-West Highway  
Silver Spring, MD 20910-3282

re: STB Docket No. AB-1074X, Lassen Valley Railway, LLC--Petition for  
Abandonment Exemption--in Washoe County, NV, and Lassen County, CA

Dear Sir/Madam:

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Sincerely yours,



Fritz R. Kahn

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cc: Victoria J. Rutson, Esq.

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WASHINGTON, DC 20036  
Tel.: (202) 263-4152 Fax: (202) 331-8330  
e-mail: xlccgc@verizon.net

March 31, 2011

U.S. Army Corps of Engineers  
1325 Jay Street  
Sacramento, CA 95814

re: STB Docket No. AB-1074X, Lassen Valley Railway, LLC--Petition for  
Abandonment Exemption--in Washoe County, NV, and Lassen County, CA

Dear Sir/Madam:

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Fritz R. Kahn

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cc: Victoria J. Rutson, Esq.



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1920 N STREET, NW. (8<sup>TH</sup> FL.)  
WASHINGTON, DC 20036  
Tel.: (202) 263-4152 Fax: (202) 331-8330  
e-mail: xicgoc@verizon.net

March 31, 2011

Dept. of Conservation & Natural Resources  
901 South Stewart St. (#5001)  
Carson City, NV 89701

re: STB Docket No. AB-1074X, Lassen Valley Railway, LLC--Petition for  
Abandonment Exemption--in Washoe County, NV, and Lassen County, CA

Dear Sir/Madam:

On or about April 15, 2011, Lassen Valley Railway, LLC ("LVR") expects to file with the Surface Transportation Board ("STB") its petition for abandonment exemption to abandon its line between Milepost 338.33 near Flanigan, Washoe County, NV, and Milepost 359.25 near Wendel, Lassen County, CA. Sent to you on March 29, 2011, was an Environmental and Historic Report describing the proposed action and any expected environmental and historic effects, as well as a map of the affected area.

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Sincerely yours,

  
Fritz R. Kahn

enc.  
cc: Victoria J. Rutson, Esq.

LAW OFFICES  
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1920 N STREET, NW. (8<sup>TH</sup> FL.)  
WASHINGTON, DC 20036  
Tel.: (202) 263-4152 Fax: (202) 331-8330  
e-mail: xiccgc@verizon.net

March 31, 2011

Mr. Bruce Peterson  
Nevada State Conservationist  
1365 Corporate Boulevard  
Reno, NV 89502

re: STB Docket No. AB-1074X, Lassen Valley Railway, LLC--Petition for  
Abandonment Exemption--in Washoe County, NV, and Lassen County, CA

Dear Mr. Peterson:

On or about April 15, 2011, Lassen Valley Railway, LLC ("LVR") expects to file with the Surface Transportation Board ("STB") its petition for abandonment exemption to abandon its line between Milepost 338.33 near Flanigan, Washoe County, NV, and Milepost 359.25 near Wendel, Lassen County, CA. Sent to you on March 29, 2011, was an Environmental and Historic Report describing the proposed action and any expected environmental and historic effects, as well as a map of the affected area.

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Sincerely yours,



Fritz R. Kahn

cnc.

cc: Victoria J. Rutson, Esq.

LAW OFFICES  
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1920 N STREET, NW. (8<sup>TH</sup> FL.)  
WASHINGTON, DC 20036  
Tel.: (202) 263-4152 Fax: (202) 331-8330  
e-mail: xicccg@verizon.net

March 31, 2011

Mr. Reese Tietje  
Nevada State Clearinghouse  
209 East Musser St. (#200)  
Carson City, NV 89701-4298

re: STB Docket No. AB-1074X, Lassen Valley Railway, LLC--Petition for  
Abandonment Exemption--in Washoe County, NV, and Lassen County, CA

Dear Mr. Tietje:

On or about April 15, 2011, Lassen Valley Railway, LLC ("LVR") expects to file with the Surface Transportation Board ("STB") its petition for abandonment exemption to abandon its line between Milepost 338.33 near Flanigan, Washoe County, NV, and Milepost 359.25 near Wendel, Lassen County, CA. Sent to you on March 29, 2011, was an Environmental and Historic Report describing the proposed action and any expected environmental and historic effects, as well as a map of the affected area.

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Fritz R. Kahn

cnc.

cc: Victoria J. Rutson, Esq.

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WASHINGTON, DC 20036  
Tel.: (202) 263-4152 Fax: (202) 331-8330  
e-mail: xiccgc@verizon.net

March 31, 2011\

Mr. Mark Delaplaine  
California Coastal Commission  
45 Freemont (#2000)  
San Francisco, CA 94105-2219

re: STB Docket No. AB-1074X, Lassen Valley Railway, LLC--Petition for  
Abandonment Exemption--in Washoe County, NV, and Lassen County, CA

Dear Mr. Delaplaine:

On or about April 15, 2011, Lassen Valley Railway, LLC ("LVR") expects to file with the Surface Transportation Board ("STB") its petition for abandonment exemption to abandon its line between Milepost 338.33 near Flanigan, Washoe County, NV, and Milepost 359.25 near Wendel, Lassen County, CA. Sent to you on March 29, 2011, was an Environmental and Historic Report describing the proposed action and any expected environmental and historic effects, as well as a map of the affected area.

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Fritz R. Kahn

enc.  
cc: Victoria J. Rutson, Esq.

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1920 N STREET, NW. (8<sup>TH</sup> FL.)  
WASHINGTON, DC 20036  
Tel.: (202) 263-4152 Fax: (202) 331-8330  
e-mail: xiccgc@verizon.net

March 31, 2011\

California Environmental Protection Agency  
P. O. Box 2815  
Sacramento, CA 95812-2815

re: STB Docket No. AB-1074X, Lassen Valley Railway, LLC--Petition for  
Abandonment Exemption--in Washoe County, NV, and Lassen County, CA

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Fritz R. Kahn

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cc: Victoria J. Rutson, Esq.

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WASHINGTON, DC 20036  
Tel.: (202) 263-4152 Fax: (202) 331-8330  
e-mail: xccgc@verizon.net

March 31, 2011

California Office of Planning & Research  
P. O. Box 3044  
Sacramento, CA 95812

re: STB Docket No. AB-1074X, Lassen Valley Railway, LLC--Petition for  
Abandonment Exemption--in Washoe County, NV, and Lassen County, CA

Dear Sir/Madam:

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Fritz R. Kahn

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cc: Victoria J. Rutson, Esq.

LAW OFFICES  
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1920 N STREET, NW. (8<sup>TH</sup> FL.)  
WASHINGTON, DC 20036  
Tel.: (202) 263-4152 Fax: (202) 331-8330  
e-mail: xicgc@verizon.net

March 31, 2011

Ms. Rebecca Lynn Palmer  
Deputy State Historic Preservation Officer  
Department of Cultural Affairs  
100 N. Stewart Street  
Carson City, NV 89701

re: STB Docket No. AB-1074X, Lassen Valley Railway, LLC--Petition for  
Abandonment Exemption--in Washoe County, NV, and Lassen County, CA

Dear Ms. Palmer:

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Fritz R. Kahn

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cc: Victoria J. Rutson, Esq.

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WASHINGTON, DC 20036  
Tel.: (202) 263-4152 Fax: (202) 331-8330  
e-mail: xicgc@vencort.net

March 31, 2011

Ms. Susan K. Stratton  
Office of Historic Preservation  
P. O. Box 942896  
Sacramento, CA 95296-0001

re: STB Docket No. AB-1074X, Lassen Valley Railway, I.L.C.--Petition for  
Abandonment Exemption--in Washoe County, NV, and Lassen County, CA

Dear Ms. Stratton:

On or about April 15, 2011, Lassen Valley Railway, I.L.C. ("LVR") expects to file with the Surface Transportation Board ("STB") its petition for abandonment exemption to abandon its line between Milepost 338.33 near Flanigan, Washoe County, NV, and Milepost 359.25 near Wendel, Lassen County, CA. Sent to you on March 29, 2011, was an Environmental and Historic Report describing the proposed action and any expected environmental and historic effects, as well as a map of the affected area.

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cc: Victoria J. Rutson, Esq.



**RENO NEWSPAPERS INC****Publishers of****Reno Gazette-Journal****955 Kuenzli St • P.O. Box 22,000 • Reno, NV 89520 • 775.788.6200****Legal Advertising Office 775.788.6394**

Fritz Kahn  
 1920 N Street NW 8<sup>th</sup> Floor  
 Washington DC 20036

Customer Acct# 314657  
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 Ad# 1000748461  
 Legal Ad Cost \$120.19 *pd*

STATE OF NEVADA  
 COUNTY OF WASHOE

Being first duly sworn, deposes and says: That as the legal clerk of the Reno Gazette-Journal, a daily newspaper of general circulation published in Reno, Washoe County, State of Nevada, that the notice referenced below has published in each regular and entire issue of said newspaper between the dates: 03/25/2011 - 03/25/2011, for exact publication dates please see last line of Proof of Publication below.

Signed: 

MAR 25 2011

Subscribed and sworn to before me

*Tana Ciccotti***Proof of Publication**

SURFACE TRANSPORTATION BOARD Docket No. AB-1074X LASSEN VALLEY RAILWAY, LLC —PETITION FOR ABANDONMENT EXEMPTION- IN WASHOE COUNTY, NV, AND LASSEN COUNTY, CA PETITION FOR EXEMPTION On or about April 15, 2011, Lassen Valley Railway, LLC ("LVR") anticipates filing a petition for exemption to abandon its dormant railroad line between Milepost 338.33 near Flanigan, NV, and Milepost 360.10 near Wendel, CA, a distance of 22.34 miles in Washoe County NV, and Lassen County, CA. The line traverses United States Postal Service Zip Codes 89405, 96113, 96130 and 96136, and there are no stations on the line. Based on information in LVR's possession, the line includes federally granted rights-of-way. Any documentation in LVR's possession will be made available promptly to those requesting it. The interests of railroad employees will be protected by the conditions of Oregon Short Line R. Co.-Abandonment-Goshen, 360 I.C.C. 91 (1979). The proposed transaction is exempt from environmental analysis under 49 C.F.R. 1105.6(c) and from historic reporting requirements under 49 C.F.R. 1105.8(b). Any offer of financial assistance for subsidy under 49 C.F.R. 1152.27(b)(2) will be due 120 days after the filing of the petition for exemption or 10 days after service of a Board decision granting the exemption, whichever occurs sooner. An offer of financial assistance must be accompanied by a \$1,500

Ad Number: 1000748461

Page 1 of 2

filing fee. Comments and/or offers of financial assistance must be filed with the Board's Chief of the Section of Administration, Office of Proceedings, Surface Transportation Board, 395 E Street, SW, Washington, DC 20423-0001. Copies of any comments and/or offers of financial assistance shall be served on KVR's representative, Fritz R. Kahn, Esq., Fritz R. Kahn, P.C., 1920 N Street, NW (8th fl.), Washington, DC 20036. Questions concerning comments and/or offers of financial assistance may be directed to the Board's Office of Public Assistance, Governmental Affairs and Compliance at (202) 245-0238 No. 748461 March 25, 2011

<p align="center"><b>SURFACE TRANSPORTATION BOARD</b></p> <p align="center">Docket No. AB-10741</p> <p align="center"><b>LASSER VALLEY RAILWAY, LLC</b> <b>-PETITION FOR ABANDONMENT EXEMPTION-</b> <b>IN WASHOE COUNTY, NV, AND</b> <b>LAGUNA COUNTY, CA</b></p> <p align="center">-PETITION FOR EXEMPTION-</p> <p>On or about April 13, 2011, Lasser Valley Railway, LLC ("LVR") anticipates filing a petition for exemption to abandon its dormant railroad line between Milepost 338.33 near Flanagan, NV, and Milepost 350.10 near Wendol, CA, a distance of 22.34 miles in Washoe County, NV, and Laguna County, CA. The line traverses United States Postal Service Zip Codes 89405, 96113, 96130 and 96136, and there are no stations on the line.</p> <p>Based on information in LVR's petition, the line includes federally granted Right-of-Way. Any abandonment in LVR's petition will be made available promptly to those requesting it.</p> <p>The interests of railroad employees will be protected by the conditions of Oregon Short Line R. Co. Abandonment-Gordon, 360 I.C. 91 (1979).</p> <p>The proposed transaction is exempt from environmental analysis under 49 C.F.R. 1105.6(a) and from historic reporting requirements under 49 C.F.R. 1105.8(b).</p> <p>Any offer of financial assistance for subsidy under 49 C.F.R. 2152.27(b)(2) will be due 120 days after the filing of the petition for exemption or 10 days after service of a Board decision granting the exemption, whichever occurs sooner. An offer of financial assistance must be accompanied by a \$1,500 filing fee. Comments and/or offers of financial assistance must be filed with the Board's Chief of the Section of Administration, Office of Proceedings, Surface Transportation Board, 395 E Street, SW, Washington, DC 20423-0001. Copies of any comments and/or offers of financial assistance shall be served on KVR's representative, Fritz R. Kahn, Esq., Fritz R. Kahn, P.C., 1920 N Street, NW (8th fl.), Washington, DC 20036. Questions concerning comments and/or offers of financial assistance may be directed to the Board's Office of Public Assistance, Governmental Affairs and Compliance at (202) 245-0238.</p> <p align="right">No. 748461 March 25, 2011</p>
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**F**EATHER PUBLISHING CO., INC.  
P.O. BOX B, QUINCY, CA 95971

(530) 283-0800

STATE OF CALIFORNIA }  
County of Lassen } ss.

Keri B. Taborski deposes and says: That she is the principal clerk for the publisher of the



Susanville, Lassen County  
Adjudication Decree #15466

that the Petition For Abandonment Exemption - Lassen Valley Railway, LLC  
of which the attached is a true printed copy, was published in the weekly issue of said newspaper(s) as indicated above (and not in a supplement thereof) for 1 (one) \_\_\_\_\_  
weeks, beginning March 22, 2011 \_\_\_\_\_  
and ending March 22, 2011, both dates,  
to wit: March 22, 2011

Dated: Mar. 22, 2011 Keri B. Taborski  
Keri B. Taborski

**Petition For Exemption**  
SURFACE TRANSPORTATION BOARD  
Docket No. AB-1074X  
LASSEN VALLEY RAILWAY, LLC  
PETITION FOR ABANDONMENT EXEMPTION  
IN WASHOE COUNTY, NV,  
AND LASSEN COUNTY, CA

On or about April 15, 2011, Lassen Valley Railway, LLC ("LVR") anticipates filing a petition for exemption to abandon its dormant railroad line between Milepost 338.33 near Flanagan, NV, and Milepost 360.10 near Wendel, CA, a distance of 22.34 miles in Washoe County, NV, and Lassen County, CA. The line traverses United States Postal Service Zip Codes 89405, 96113, 96130 and 96136, and there are no stations on the line.

Based on information in LVR's possession, the line includes federally granted rights-of-way. Any documentation in LVR's possession will be made available promptly to those requesting it.

The interests of railroad employees will be protected by the conditions of Oregon Short Line R. Co.—Abandonment—Goshen, 360 I.C.C.91 (1979).

The proposed transaction is exempt from environmental analysis under 49 C.F.R. §1106.60 and from historic reporting requirements under 49 C.F.R. §1105.8(b).

Any offer of financial assistance for subsidy under 49 C.F.R. §1152.27(b)(2) will be due 120 days after the filing of the petition for exemption or 10 days after service of a Board decision granting the exemption, whichever occurs sooner. An offer of financial assistance must be accompanied by a \$1,500 filing fee. Comments and/or offers of financial assistance must be filed with the Board's Chief of the Section of Administration, Office of Proceedings, Surface Transportation Board, 395 E. Street, SW, Washington DC 20423-0001. Copies of any comments and/or offers of financial assistance shall be served on KVR's representative, Fritz R. Kahn, Esq., Fritz R. Kahn, P.C., 1920 N. Street, NW (8th fl.), Washington, DC 20036. Questions concerning comments and/or offers of financial assistance may be directed to the Board's Office of Public Assistance, Governmental Affairs and Compliance at (202) 245-0238.

Published LCT  
March 22, 2011

Draft Federal Register Notice

SURFACE TRANSPORTATION BOARD

STB Docket No. AB-1074X

LASSEN VALLEY RAILWAY, LLC  
-- PETITION FOR ABANDONMENT EXEMPTION --  
IN WASHOE COUNTY, NV, AND LASSEN COUNTY, CA

---

PETITION FOR ABANDONMENT EXEMPTION

On April 20, 2011, Lassen Valley Railway, LLC ("LVR") filed with the Board a petition for exemption under 49 U.S.C. §10502 from the provisions of 49 U.S.C. §10903 to abandon its line of railroad between Milepost 338.33 near Flanigan, Washoe County, Nevada, and Milepost 359.25 near Wendel, Lassen County, California, a distance of 21.77 miles. The line traverses United States Postal Service Zip Codes 89405, 96113, 96130 and 96136 and includes no stations.

LVR has been advised that segments of the line may contain federally granted rights-of-way. Any documentation in LVR's possession will be made available promptly to those requesting it.

The interests of railroad employees will be protected by the conditions of Oregon Short Line R. Co.—Abandonment—Goshen, 360 I.C.C. 91 (1979).

Following its abandonment, the right-of-way of the rail line may be suitable for other public use, including interim trail use. Petitions to stay the effective date of the proposed abandonment on other than environmental or historic preservation grounds must be filed within 10 days of the Federal Register publication. Petitions to stay the effective date of the proposed abandonment on environmental or historic preservation

grounds may be filed at any time but must be filed sufficiently in advance of the effective date of the order to allow the Surface Transportation Board to consider and act on the petition before the proposed abandonment becomes effective. Petitions for reconsideration, comments regarding environmental, energy and historic preservation matters and requests for public use conditions under 49 U.S.C. §10905 and 49 C.F.R. §1152.28(a)(2) must be filed within 20 days after the Federal Register publication. Requests for trail use conditions under 16 U.S.C. §1247(d) and 49 C.F.R. §1152.29 must be filed within 10 days after the Federal Register publication. The exemption will be effective 30 days after the Federal Register publication, unless stayed.

SURFACE TRANSPORTATION BOARD  
WASHINGTON, DC

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STB Docket No. AB-1074X

LASSEN VALLEY RAILWAY, LLC  
--PETITION FOR ABANDONMENT EXEMPTION--  
IN WASHOE COUNTY, NV, AND LASSEN COUNTIES, CA

---

ENVIRONMENTAL AND HISTORIC REPORT

Lassen Valley Railway, LLC ("LVR"), pursuant to 49 C.F.R. §1152.50, submits this Environmental and Historic Report in support of its Petition for Abandonment Exemption.

1. Proposed action and alternatives. The line which LVR proposes to abandon extends between Milepost 338.33 near Flanigan, Washoe County, Nevada, and Milepost 359.25 near Wendel, Lassen County, California, a distance of 21.77 miles. The line traverses U.S. Postal Service Zip Codes 89405, 96113, 96130 and 96136, and there is no station.

The line was acquired as a rail carrier by LVR from its former owner and operator, Union Pacific Railroad Company ("UP"), pursuant to the Notice of Exemption in STB Finance Docket No. 35306, Lassen Valley Railway LLC--Acquisition and Operation Exemption--Union Pacific Railroad Company, served December 3, 2009, 74 Fed. Reg. 63501, December 3, 2009. UP had been authorized to abandon the line, including the embraced remnant of the Susanville Industrial Lead between Milepost 358.68 and Milepost 359.25 near Wendel, by Decision of the Board in STB Docket No.

33 (Sub-No. 230X), Union Pacific Railroad Company--Abandonment Exemption--in Lassen County, CA and Washoe County, NV, served January 26, 2007, the effective date of which was deferred by Decisions served February 2, 2007, August 5, 2008, and September 19, 2008, until October 19, 2008. In its Decision the Board noted that since 2004 there had been no shipper on the line, and the only traffic which had moved on the line was by UP's contractors of scrap railroad track materials from abandoned UP railroad lines. Nevertheless, UP did not consummate the abandonment.

Lassen County believed preserving the line as an active line of railroad was important to County's economic development and asked UP to defer abandoning the line while the County tried to find another operator. UP agreed and allowed the County until August 17, 2009, to find someone to make an offer to acquire the line. On August 10, 2009, LVR advised the County and its two potential shippers, HL Power Company and Mr. Vincent P. Estell, that it would agree to purchase the line from UP and operate it as an active line of railroad for at least one year's time.

The year was up December 17, 2010. In the meantime, HL Power Company, the plant of which is approximately two miles distant from the line which LVR was authorized by the Board to acquire and operate, has installed no connecting track and has neither tendered nor received any traffic for handling by LVR. Similarly, the site which Mr. Estell hopes to develop is approximately two miles removed from the LVR's line, and Mr. Estell has laid no track connecting his site to the LVR and has neither tendered nor received any traffic for transportation by LVR. There are no other shippers on the line. In other words, no revenue freight has moved on the line since 2004. LVR now

seeks to abandon the line so as to be able to salvage and sell the track, ties and other track materials.

LVR has notified HL Power Company and Mr. Estell of its intention to seek the Board's authorization to abandon the line and has agreed to sell them the line in response to an offer to purchase the line. Neither one has responded affirmatively to LVR's proposal.

The line proposed for abandonment includes five structure which are 50 years old or older, ordinary timber pile open deck trestles, one in Nevada and four in California, none of which will not be removed or otherwise disturbed, so that the right-of-way of the line to be abandoned might serve a public purpose or be used for a recreational trail.

Based on information in LVR's possession, segments of the line may contain federally granted rights-of-way. Any documentation in the railroad's possession will be made available promptly to those requesting it.

2. Transportation systems. As already noted, no traffic has moved on the Flanigan-to-Wendel line in more than a year's time since LVR acquired it, just as no revenue freight moved on the line the last five years of UP's ownership of the line. By letters dated February 18 and March 16, 2011, copies of which were sent to the Board's Office of Environmental Analysis ("OEA"), LVR's representative advised the Nevada State Clearinghouse and California Office of Planning and Research of the proposed abandonment of the Flanigan-to-Wendel line, and copies of the exchange of e-mails with Mr. Reese Tietje of the Nevada State Clearinghouse, dated March 9 and 10, 2011, are attached as Exhibit 1.



3. Land use. By letter dated February 18 and March 16, 2011, copies of which was sent to OEA, LVR's representative advised the Nevada and California Natural Resources Conservation Services of the proposed abandonment of the Flanigan-to-Wendel line, and attached as Exhibit 2 is a copy of the response of Mr. Bruce Peterson, Nevada State Conservationist, dated March 14, 2011, stating that his office has no concerns with the proposed abandonment.

4. Energy. No increase in energy consumption will result from the proposed abandonment. By letters dated February 18 and March 16, 2011, copies of which were sent to OEA, LVR's representative advised the U.S. Environmental Protection Agency, the Nevada Department of Conservation and Natural Resources and the California Environmental Protection Agency of the proposed abandonment of the Flanigan-to-Wendel line. A copy of the letter from Mr. James R. Lawrence, Administrator of the Nevada Department of Conservation and Natural Resources, dated April 8, 2011, is attached as Exhibit 3.

5. Air. No emissions or pollutants will despoil the air as a result of the proposed abandonment. The threshold levels of 49 C.F.R. 1105.7(e)(5)(i)-(iii) will not be exceeded. By letters dated February 18 and March 16, 2011, with copies to OEA, LVR's representative advised the U.S. Environmental Protection Agency, the Nevada Department of Conservation and Natural Resources and the California Environmental Protection Agency of the proposed abandonment of the Flanigan-to-Wendel line. A copy of the letter from Mr. James R. Lawrence, Administrator of the Nevada Department of Conservation and Natural Resources, dated April 8, 2011, is attached as Exhibit 3.

6. Noise. No increase in the level of noise will result from the proposed abandonment. The threshold levels of 49 C.F.R. 1105.7(e)(6)(i) & (ii) will not be exceeded. By letters dated February 18 and March 16, 2011, with copies to OEA, LVR's representative advised the U.S. Environmental Protection Agency, the Nevada Department of Conservation and Natural Resources and the California Environmental Protection Agency of the proposed abandonment of the Flanigan-to-Wendel line. A copy of the letter from Mr. James R. Lawrence, Administrator of the Nevada Department of Conservation and Natural Resources, dated April 8, 2011, is attached as Exhibit 3.

7. Safety. There will be no additional highway traffic as a result of the proposed abandonment of the line and, hence, no greater risk to public safety. By letters dated February 18 and March 16, 2011, with copies to OEA, LVR's representative advised the Nevada State Clearinghouse and the California Office of Planning and Research of the proposed abandonment of the Flanigan-to-Wendel line, and copies of the e-mailed exchange of e-mails with Mr. Reese Tietje of the Nevada State Clearinghouse, dated March 9 and 10, 2011, are attached as Exhibit 1.

LVR is unaware of any hazardous waste sites or sites on which there were hazardous spills on the right-of-way of the railroad line proposed for abandonment.

8. Biological resources. The proposed abandonment of the line will not affect endangered or threatened animal or plant species or areas designated as critical habitats, as far as LVR is aware. By letters dated February 18 and March 16, 2011, with copies to OEA, LVR's representative notified the U.S. Environmental Protection Agency, the Nevada Department of Conservation and Natural Resources, the California Environmental Protection Agency and the U.S. Fish and Wildlife Service of the proposed

abandonment of the Flanigan-to-Wendel line. A copy of the letter from Mr. James R. Lawrence, Administrator of the Nevada Department of Conservation and Natural Resources, dated April 8, 2011, is attached as Exhibit 3.

9. Water. The proposed abandonment of the line will not affect Federal, Nevada, California or local water quality standards of which LVR is aware. By letters dated February 18 and March 16, 2011, with copies to OEA, LVR's representative notified the U.S. Army Corps of Engineers and the California Coastal Commission of the proposed abandonment of the Flanigan-to-Wendel line. No response has been received from the U.S. Army Corps of Engineers. Attached as Exhibit 4 is a copy of the letter reply, dated February 24, 2011, from Mr. Mark Delaplaine, Manager, Energy, Ocean Resources and Federal Consistency Division of the California Coastal Commission, stating that the abandonment would not affect the California coastal zone.

LVR is unaware of any designated wetlands or 100-year flood plains through which the railroad line proposed for abandonment passes.

10. Proposed mitigation. Since the proposed abandonment of the line will result in no adverse environmental impacts, LVR perceives of no need for mitigating measures. Nevertheless, in accordance with the Board's regulations, by letters dated February 18 and March 16, 2011, with copies to OEA, LVR's representative advised the Nevada State Clearinghouse, the California Office of Planning and Research, the National Park Service and the National Geodetic Survey of the proposed abandonment of the Flanigan-to-Wendel line. Copies of the exchange of e-mails with Mr. Reese Tietje of the Nevada State Clearinghouse, dated March 9 and 10, 2011, attached as Exhibit 1. A copy of the e-

mail from Mr. Simon Monroe of the National Geodetic Survey, dated April 6, 2011, is attached as Exhibit 5.

#### HISTORIC REPORT

1. Map. A U.S. Department of the Interior Geological Survey map showing the Flanigan-to-Wendel line proposed to be abandoned is attached as Exhibit 6.

2. Description. The railroad line proposed to be abandoned extends between Milepost 338.33 near Flanigan, Washoe County, Nevada and Milepost 360.10 near Wndel, Lassen County, California, a distance of 21.77 miles. The line embraces the remainder of what had been the former UP Susanville Industrial Lead between Milepost 568.68 and Milepost 359.25 near Wendel.

3. Photographs. There are five structure along the right-of-way of the railroad line proposed for abandonment which are 50 years old or older: (1) a 31.17-foot timber pile open deck trestle built in 1936 at Milepost 339.74 in Nevada, (2) a 45.17-foot timber pile open deck trestle built in 1940 at Milepost 344.62, (3) a 150.17-foot timber pile open deck trestle built in 1939 at Milepost 345.68, (4) a 45.17-foot timber pile open deck trestle built in 1941 at Milepost 345.95, and (5) a 20.17-foot timber pile open deck trestle built in 1931 at Milepost 346.67 in California. Color photographs were sent to the Nevada and California State Historic Preservation Officers with the letters from LVR's representative, dated February 18, 2011, copies of which was sent to OEA. Another set of the color photographs is being mailed to OEA today. Representative photographs of the trestles are attached as Exhibit 7. The trestles are not expected to be removed if the

Board were to authorize the abandonment of the Flanigan-to-Wendel line and would be available for public use or as part of a recreational trail.

4. Dates. As already noted, the trestles were constructed between 1931 and 1941.

5. History. Most of the Flanigan-to-Wendel line was construct by the Fernley and Lassen Railway in 1913 and 1914. It later became a branch of the Western Pacific Railroad Company. The majority of the line is 150 feet in width, with some intermittent portions being 300 feet wide. The property is considered to be in rural high desert area of western Nevada and eastern California. The line currently is constructed of combinations of 110, 112, 113 and 119 pound rail put down primarily in the 1940s and 1950s. With no traffic having been handled on the line since LVR acquired it in 2009 and no revenue freight having moved on it in the last five years of UP's ownership before then, the line is not in good shape and would require rehabilitation before operations on it were resumed.

6. Documents. LVR has no plans, drawings or other documents in its possession confirming the dates of construction of the trestles or of any subsequent changes or improvements of the structures. None was made by LVR

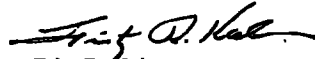
7. Opinion. LVR has no plans to demolish or dismantle the trestles, so that the right-of-way of the abandoned railroad line may serve a public purpose or be used as a recreational trail. LVR does not believe that the trestles warrant listing in the Register of Historic Places. Similarly, LVR is unaware of any archeological resources or any other previously unknown historic properties in the area. By letters dated February 18, 2011, with copies to OEA, LVR's representative notified the Nevada and California Offices of Historic Preservation of the proposed abandonment of the Flanigan-to-Wendel line. Attached as Exhibit 8 are copies of the exchange of e-mails between the Nevada Deputy

State Historic Preservation Officer and LVR's representative, dated March 18, 23 and 24, 2011. The office of the California State Historic Preservation Officer telephoned to say that it was for OEA, rather than LVR, to initiate the section 106 historic review process.

Respectfully submitted,

LASSEN VALLEY RAILWAY, LLC

By its attorney,

  
Fritz R. Kahn  
Fritz R. Kahn, P.C.  
1920 N Street, NW (8th fl.)  
Washington, DC 20036  
Tel.: (202) 263-4152

Dated: April 20, 2011

#### CERTIFICATE OF SERVICE

I certify that I on March 29, 2011, served copies of the Environmental and Historic Report as of that date on the Federal, Nevada and California agencies whose views were sought in its preparation by mailing by prepaid, first-class mail copies to the persons or agencies whose the names and addresses are listed on the following pages.

  
Fritz R. Kahn

Ms. Rebecca Lynn Palmer  
Deputy State Historic Preservation Officer  
Department of Cultural Affairs  
100 N. Stewart Street  
Carson City, NV 89701

Ms. Susan K. Stratton  
Office of Historic Preservation  
P O Box 942896  
Sacramento, CA 95296-0001

National Park Service  
1111 Jackson St. (#700)  
Oakland, CA 94607

U.S. Environmental Protection Agency  
75 Hawthorne Street  
San Francisco, CA 94105

U.S. Fish & Wildlife Service  
911 NE 11th Avenue  
Portland, OR 97232-4181

NGS Spatial Reference System Div.  
NOAA M/NGS2  
1315 East-West Highway  
Silver Spring, MD 20910-3282

U.S. Army Corps of Engineers  
1325 J Street  
Sacramento, CA 95814

Mr. Bruce Peterson  
Nevada State Conservationist  
1365 Corporate Boulevard  
Reno, NV 89502

Dept. of Conservation & Natural Resources  
901 South Stewart St (#5001)  
Carson City, NV 89701

Mr. Reese Tietje  
Nevada State Clearinghouse  
209 East Musser St (#200)  
Carson City, NV 89701-4298



Natural Resources Conservation Service  
430 G St. (#4164)  
Davis, CA 95616-4164

Mr. Mark Delaplaine  
California Coastal Commission  
45 Fremont (#2000)  
San Francisco, CA 94105-2219

California Environmental Protection Agency  
P. O. Box 2815  
Sacramento, CA 95812-2815

California Office of Planning & Research  
P. O. Box 3044  
Sacramento, CA 95812

Victoria J. Rutson, Esq.  
Chief, Office of Environmental Analysis  
Surface Transportation Board  
395 E Street, SW  
Washington, DC 20423

Michael J. Van Wagenen, Esq.  
Vice President  
Lassen Valley Railway, LLC  
P. O. Box 26421  
Salt Lake City, UT 84126

Mr. Donald L. Cavallo  
Public Administrator  
Washoe County  
P. O. Box 7360  
Reno, NV 89510-7360

Mr. Tom C. Stone  
County Administrative Officer  
Lassen County  
221 S. Roop St. (#4)  
Susanville, CA 96130



**EXHIBIT I**



**Subject** FW: E2011-108 Railway abandonment and salvage, Flanigan to Wendel, Washoe and Lassen County -  
**From:** Nevada State Clearinghouse <Clearinghouse@budget.state.nv.us>  
**Sent:** Mar 10, 2011 12:38:00 PM  
**To:** xicgc@verizon.net

---

Thank you for the extra information, Fritz. I'll forward you any comments received at the end of the comment period.

Reese Tietje, Nevada State Clearinghouse

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**From:** Nevada State Clearinghouse  
**Sent:** Thursday, March 10, 2011 9:36 AM  
**To:** Nevada State Clearinghouse  
**Subject:** E2011-108 Railway abandonment and salvage, Flanigan to Wendel, Washoe and Lassen County -



**NEVADA STATE CLEARINGHOUSE**  
Department of Administration, Budget and Planning Division  
209 East Musser Street, Room 200, Carson City, Nevada 89701-4298  
(775) 684-0213 Fax (775) 684-0260

**TRANSMISSION DATE:** 3/10/2011

zzClearinghouse

**Nevada SAI # E2011-108**

**Project: Railway abandonment and salvage, Flanigan to Wendel, Washoe and Lassen County**

Follow the link below to download an Adobe PDF document concerning the above-mentioned project for your review and comment.

[E2011-108](#)

Please evaluate it with respect to its effect on your plans and programs; the importance of its contribution to state and/or local

<http://netmail.verizon.net/webmail/driver?nimlet=deggetemail&fn=INBOX&page=1&deg...> 3/10/2011

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areawide goals and objectives; and its accord with any applicable laws, orders or regulations with which you are familiar.

Please submit your comments no later than Thursday, March 31, 2011.

Use the space below for short comments. If significant comments are provided, please use agency letterhead and include the Nevada SAI number and comment due date for our reference.

Clearinghouse project archive

Questions? Reese Tietje, (775) 684-0213 or [clearinghouse@state.nv.us](mailto:clearinghouse@state.nv.us)

\_\_\_ No comment on this project \_\_\_ Proposal supported as written

AGENCY COMMENTS:

Signature:

Date:

Distribution: Sandy Quilici, Department of Conservation & Natural Resources  
Gary Derks, Division of Emergency Management  
David Mouat, Desert Research Institute  
Kevin Kirkeby, Senator Ensign's Office  
Nancy Boland, Esmeralda County  
Chad Hastings, Fire Marshal  
Kirk Bausman, Hawthorne Army Depot  
Skip Canfield, AICP, Division of State Lands  
Cory Lytle, Lincoln County  
Zip Upham, NAS Fallon  
Ed Rybold, NAS Fallon  
Terri Compton, Department of Transportation  
Lori Campbell, Department of Transportation  
Timothy Mueller, Department of Transportation  
Steve Siegel, Department of Wildlife, Director's Office  
David Catalano, Department of Wildlife, Fallon  
Mark Freese, Department of Wildlife  
Robert Martinez, Division of Water Resources  
Tod Oppenborn, Nellis Air Force Base  
Ms. Deborah MacNeill, Nellis Air Force Base  
William Cadwallader, Nellis Air Force Base  
99ABW, Nellis Air Force Base  
James D. Morefield, Natural Heritage Program  
Linda Cohn, National Nuclear Security Administration

<http://netmail.verizon.net/webmail/driver?nimlet=deggetemail&fn=INBOX&page=1&deg...> 3/10/2011

Joseph C. Strolin, Agency for Nuclear Projects  
Steve Weaver, Division of State Parks  
Mark Harris, PE, Public Utilities Commission  
Jason Woodruff, Public Utilities Commission  
Rebecca Palmer, State Historic Preservation Office  
Bruce Gustafson, Nevada Department of Taxation, Local Government, Centrally Assessed Property  
Terry Rubald, Nevada Department of Taxation, Local Government, Centrally Assessed Property  
Terry Rubald, Nevada Department of Taxation, Local Government, Centrally Assessed Property  
John Muntean, UNR Bureau of Mines  
Jon Price, UNR Bureau of Mines  
David David, UNR Bureau of Mines  
Ryan McGinness, Washington Office  
Clearinghouse, zzClearinghouse  
Maud Naroll, zzClearinghouse-Maud



Subject LVR railroad line abandonment  
From: Fritz R. Kahn <xiccgc@verizon.net>  
Sent: Mar 9, 2011 05:36:33 PM  
To: Clearinghouse@budget.state.nv.us

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Mr. Tietje:

Thank you for your e-mail of March 9, 2011. Should Lassen Valley Railway, LLC be authorized by the Surface Transportation Board to abandon the line between Flanigan, NV and Wendel, CA, it proposes to salvage the track, ties and other track materials. It, however, will not remove any of the bridges or culverts so that the abandoned right-of-way could be used for other purposes, as, for example, a recreational trail. The additional maps you requested are attached. If I can be of further assistance, please let me know.

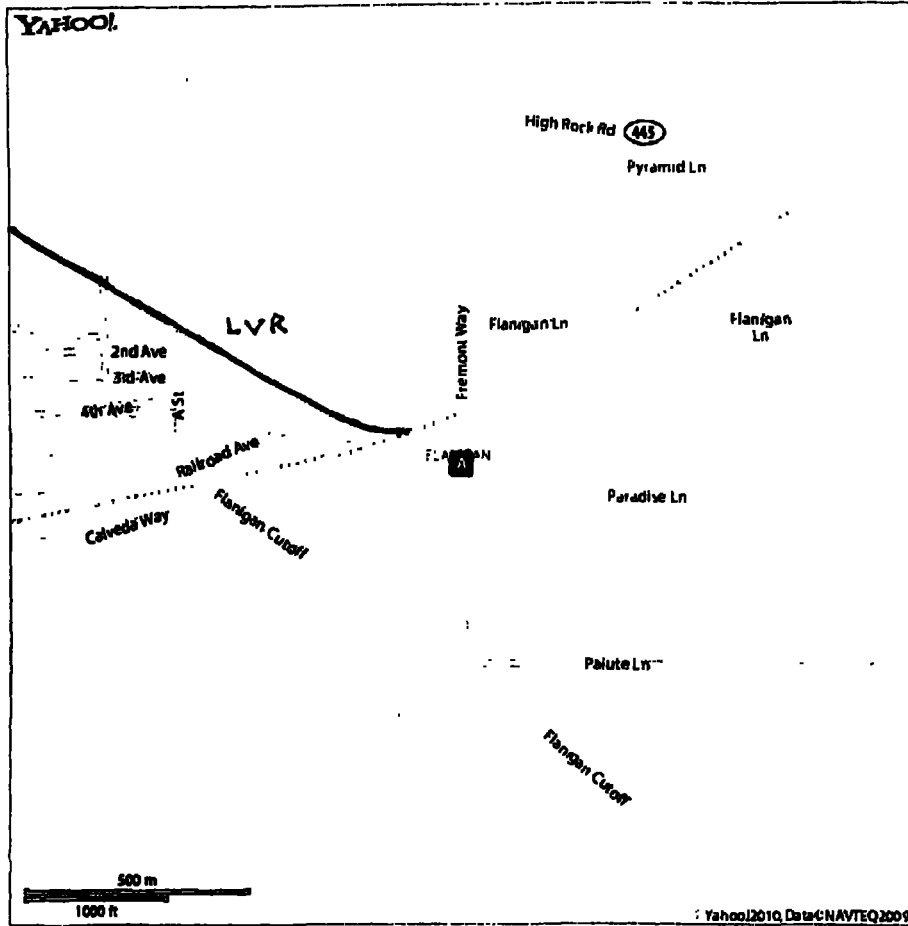
Fritz R. Kahn

Fritz R. Kahn, P.C.  
1920 N Street, N.W. (8th fl.)  
Washington, DC 20036  
Tel.: (202) 263-4152  
Fax: (202) 331-8330  
e-mail: xiccgc@verizon.net

This transmission is privileged and intended for the exclusive use of the addressee. If it has been misdirected, please advise by telephone and return the transmission by mailing it to the originator at the above address.

## Map of Flanigan, NV

YAHOO!



When using any driving directions or map, it's a good idea to do a reality check and make sure the road still exists, watch out for construction, and follow all traffic safety precautions. This is only to be used as an aid in planning

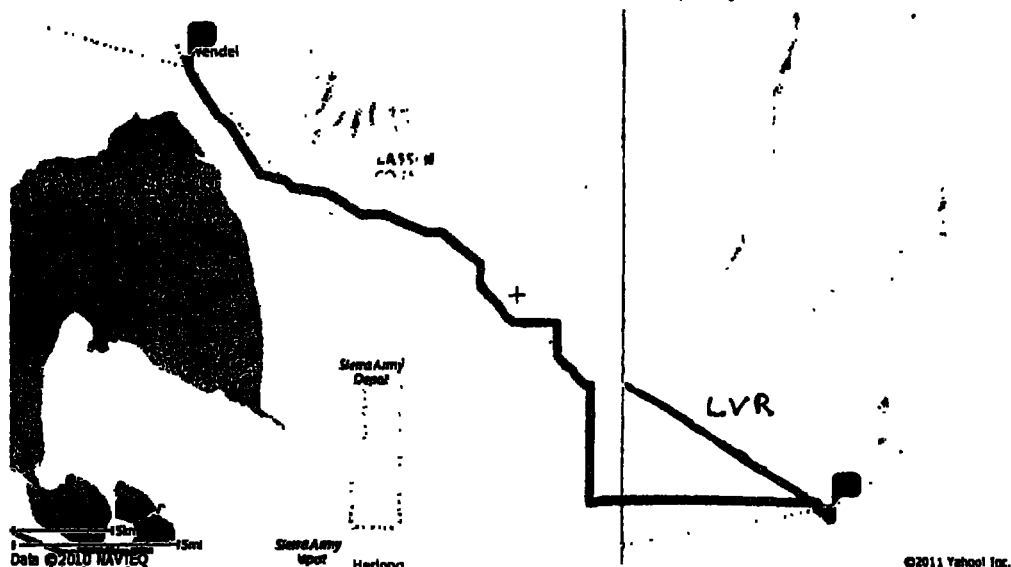
**Yahoo! Mail**

## Search

## Web Search

**YAHOO! LOCAL**  
Map

When using any driving directions or map, it's a good idea to do a reality check and make sure the road still exists, watch out for construction, and follow all traffic safety precautions. This is only to be used as an aid in planning.



- 1 Starting in FLANIGAN, NV on FREMONT WAY go toward PARADISE LN
2. Turn **R** on FREMONT WAY - go 0.3 mi
3. Turn **R** on FLANIGAN CUTOFF - go 0.5 mi
4. Turn **L** on RAILROAD AVE
5. Turn **R** on A ST - go 0.2 mi
6. Turn **L** on 2ND AVE - go 0.1 mi
7. Turn **R** on FLANIGAN CUTOFF
8. Turn **L** on CAL NEVA RD - go 0.4 mi
9. Turn **R** on CAL NEVA RD - go 4.5 mi
10. Bear **R** on a local road
11. Bear **R** on MOORE RD - go 0.9 mi
12. Turn **L** on CONNECTION RD - go 1.5 mi
13. Bear **R** on a local road - go 1.2 mi
14. Turn **R** on DUCK LAKE RD - go 0.7 mi
15. Turn **L** on WENDEL RD - go 1.4 mi
16. Continue on WENDEL RD - go 1.8 mi



**Subject** LVR railroad line abandonment

**From:** Nevada State Clearinghouse <Clearinghouse@budget.state.nv.us>

**Sent:** Mar 9, 2011 01:41:02 PM

**To:** xicgc@verizon.net

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Dear Mr. Kahn-

Clearinghouse is in receipt of your request for comments on the abandonment of Lassen Valley Railway's railroad line between Flanigan and Wendel. Before this request is distributed to state agencies for comment, more details of the abandonment are needed. This would include information regarding any planned removal of tracks or associated infrastructure, proposed environmental and visual impact restoration measures, and a better quality map with legible text. Without this information, it is impossible to provide you with any meaningful comments. This information may be emailed directly to Clearinghouse at this address.

Thank you.

Reese Tietje, Nevada State Clearinghouse



**EXHIBIT 2**

United States Department of Agriculture



Natural Resources Conservation Service  
1365 Corporate Blvd.  
Reno, Nevada 89502  
Phone: (775) 857-8500  
Fax: (775) 857-8524

---

Law Offices  
Mr. Fritz R. Kahn  
1920 N. Street, NW. (8<sup>th</sup> Fl)  
Washington, DC 20036

March 14, 2011

Mr. Kahn,

This letter is in response to your letter dated February 18, 2011 regarding the proposed abandonment of railroad line. The Nevada Natural Resources Conservation Service has no concerns with this proposed action.

If you have any questions or concerns please feel free to contact me at (775) 857-8500 ext 100.

Sincerely,

A handwritten signature in black ink, appearing to read "Bruce Petersen", followed by a horizontal line.

BRUCE PETERSEN  
State Conservationist

**EXHIBIT 3**

LEO DROZDOFF  
*Director*

Department of Conservation  
and Natural Resources

JAMES R. LAWRENCE  
*Administrator*

BRIAN SANDOVAL  
*Governor*



State Land Office  
State Land Use Planning Agency  
Nevada Tahoe Resource Team  
Conservation Bond Program -Q1

*Address Reply to*

Division of State Lands  
901 S Stewart St Suite 5003  
Carson City, Nevada 89701-5246  
Phone (775) 684-2720  
Fax (775) 684-2721  
Web [www.lands.nv.gov](http://www.lands.nv.gov)

STATE OF NEVADA  
DEPARTMENT OF CONSERVATION AND NATURAL RESOURCES

Division of State Lands

April 8, 2011

Fritz Kahn  
Fritz R. Kahn Law Offices  
1920 N Street, NW  
8<sup>th</sup> Floor  
Washington, DC 20036

RE: STB Docket No. AB-1074X, Lassen Valley Railway, LLC –  
Petition for Abandonment Exemption, Washoe County, NV.

Dear Mr. Kahn:

This letter is in response to your letter of March 31, 2011, addressed to Leo Drozdoff, Director of the Nevada Department of Conservation and Natural Resources, regarding the above noted matter. The Department of Conservation and Natural Resources has submitted its comments to you through our State Clearinghouse. You should have received that correspondence. Our only comment was regarding the potential use of the abandoned grade for a future "Rails to Trails" project. That issue was addressed in the Environmental and Historical Report on the project.

Thank you for the opportunity to comment on the project.

Sincerely,

A handwritten signature in black ink, appearing to read "James R. Lawrence".  
JAMES R. LAWRENCE  
Administrator

CC: Leo Drozdoff, Director, DCNR

**EXHIBIT 4**

**CALIFORNIA COASTAL COMMISSION**

45 FREMONT, SUITE 2000  
SAN FRANCISCO, CA 94105-2219  
TELEPHONE (415) 904-5200  
FAX (415) 904-5400  
TDD (415) 597-5885



February 24, 2011

Fritz R. Kahn, P.C.  
Eighth Floor  
1920 N St., N.W.  
Washington D.C. 20036-1601

Re: Lassen Valley Railway, Proposed Railroad Abandonment  
STB Docket No. AB-1074X

Dear Mr. Kahn:

The Coastal Commission staff has no concerns over above-referenced proposed railroad abandonment. We agree that this abandonment will not affect the California coastal zone. If you have any questions about this letter, please feel free to contact me at (415) 904-5289.

Sincerely,

A handwritten signature in black ink, appearing to read "Mark Delaplaine".

MARK DELAPLAINE  
Manager, Energy, Ocean Resources  
and Federal Consistency Division

cc: Surface Transportation Board  
Section of Environmental Analysis  
Victoria Rutson, Chief  
395 E Street, S.W.  
Washington, DC 20423-0001

**EXHIBIT 5**



Print

Subject NGS Response, STB Docket AB-1074X

From: Simon Monroe <Simon.Monroe@noaa.gov>

Sent: Apr 6, 2011 03:15:11 PM

To: xiccge@verizon.net

CC: sea@stb.dot.gov, Surveyorlady@yahoo.com, Marti.Ikehara@noaa.gov, Gilbert.Mitchell@noaa.gov, Simon.Monroe@noaa.gov

> Thank you for sharing your railroad abandonment environmental report for  
>  
> Wendel, Lassen County, CALIFORNIA& Flanigan, Washoe County, NEVADA.  
>  
>  
>  
> Approximately 12 geodetic survey marks may be located in the area  
> described.  
> If marks will be disturbed by the abandonment, [THE RAILROAD] shall  
> consult with the National Geodetic Survey (NGS) at least 90 days prior to  
> beginning salvage activities that will disturb, or destroy any  
> geodetic station  
>  
> marks described on the attached file. Additional advice is provided at  
> <http://geodesy.noaa.gov/marks/railroads/>

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|---|-----|---|-----|-----|-----|-----|-----|
|...|LT0084|. 1|88/ADJUSTED|N402051.....|W1201359.....|B...|J 95
|...|LT0085|. 1|88/ADJUSTED|N402051.....|W1201359.....|C...|K 95
|...|LT0086|. 1|88/ADJUSTED|N402030.....|W1201321.....|B...|L 95
|...|LT0087|. 1|88/ADJUSTED|N401910.....|W1201159.....|C...|M 95
|...|LT0088|. 1|88/ADJUSTED|N401750.....|W1201032.....|D...|N 95
|...|LT0089|. 1|88/ADJUSTED|N401657.....|W1200831.....|D...|P 95
|...|LT0090|. 1|88/ADJUSTED|N401556.....|W1200610.....|C...|R 95
|...|LT0091|. 1|88/ADJUSTED|N401512.....|W1200430.....|C...|S 95
|...|LT0092|. 1|88/ADJUSTED|N401422.....|W1200231.....|C...|T 95

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<http://netmail.verizon.net/webmail/driver?nimlet=deggetemail&fn=INBOX&page=1&deg...> 4/6/2011

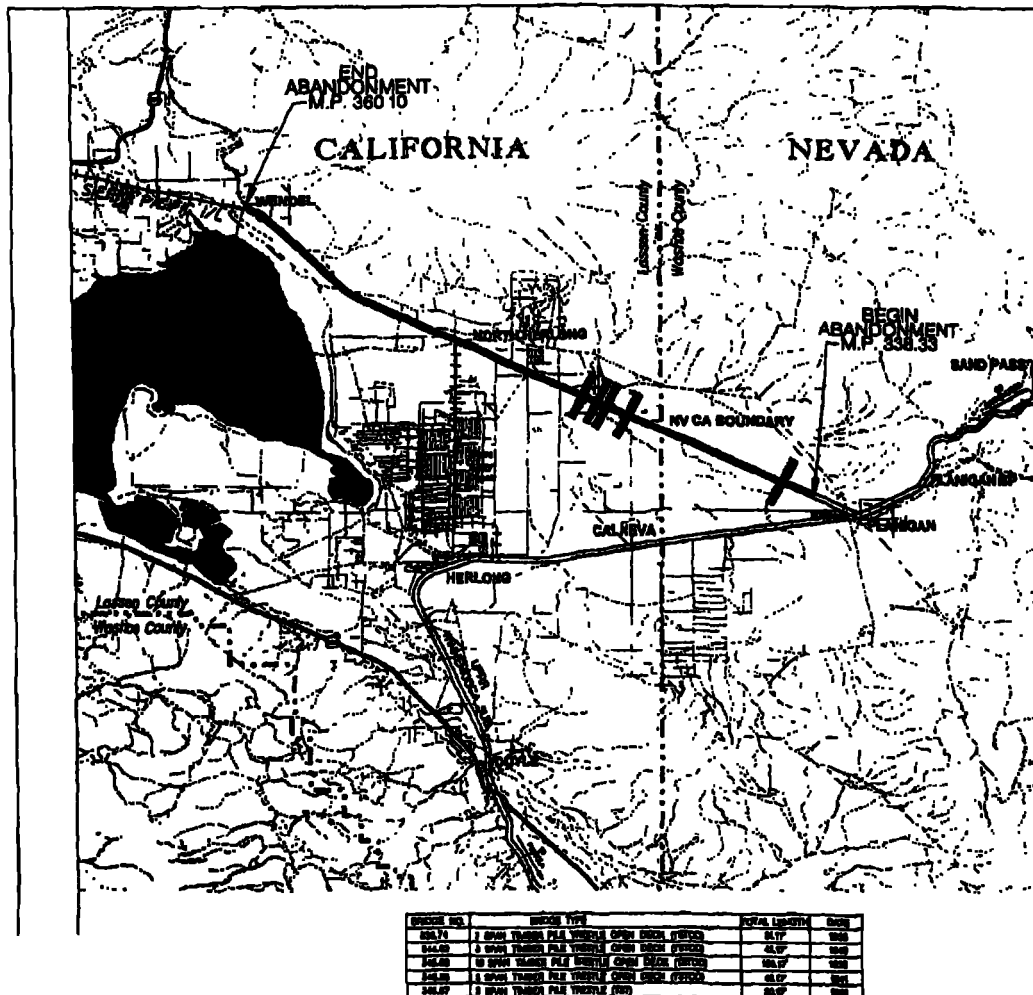


|...|LT0093|. 1|88/ADJUSTED|N401330.....|W1200035.....|C...|U 95

|...|LS0407|. 1|88/ADJUSTED|N401240.....|W1195841.....|C...|R 20

|...|LS0408|. 1|88/ADJUSTED|N401147.....|W1195640.....|C...|S 20

**EXHIBIT 6**

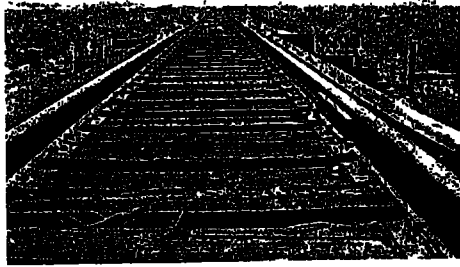


# LASSEN VALLEY RAILWAY, LLC

Proposed abandonment

(Location of bridges noted.)

**EXHIBIT 7**



**EXHIBIT 8**

LAW OFFICES  
FRITZ R. KAHN, P.C.  
1920 N STREET, NW (8<sup>TH</sup> FL.)  
WASHINGTON, DC 20036  
Tel.: (202) 263-4152 Fax: (202) 331-8330  
e-mail: xiccgc@verizon.net

March 24, 2011

VIA E-MAIL

Ms. Rebecca Lynn Palmer  
Deputy State Historic Preservation Officer  
Department of Cultural Affairs  
100 N. Stewart Street  
Carson City, NV 89701

Dear Ms. Palmer:

Thank you for your letter of March 23, 2011, and the admonition that I should have placed in an historical context the conclusion of the Lassen Valley Railway that the 31.17-foot two span timber pile open deck trestle built in 1936 located at Milepost 339.74 of the railroad line between Flanigan, NV, and Wendel, CA, proposed for abandonment in STB Docket No. AB-1074X does not meet the criteria for listing on the National Register of Historic Places.

The trestle is about two miles northwest of Flanigan in the rural high desert area of western Nevada. It is about 45 miles north of Reno and about 25 miles west of Pyramid Lake and the Pyramid Lake Indian Reservation of the Northern Paiute tribe.

Certainly, the Pyramid Lake Indian Reservation is of historic interest as it was set aside for the Northern Paiute tribe by request of the U.S. Bureau of Indian Affairs in 1859. As I noted, however, it is well removed from the site of the trestle.

Flanigan, also, is of historic interest as it was a station on the Alameda and San Joaquin Railroad, later known as the Western Pacific Railroad, the construction of which began in 1900. The Southern Pacific Railroad subsequently reached Flanigan as well.

The line which the Lassen Valley Railroad proposes to abandon, however, is not part of the line of the Alameda and San Joaquin Railroad. The line proposed for abandonment was constructed by the Fernley and Lassen Railway in 1913 and 1914 and at some later date became a branch of the Western Pacific Railroad.

The site of the trestle and its immediate area is of no historic significance, as best as I can determine.

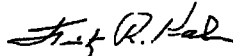
I have looked at a map of the Historical Markers of Reno and Washoe County published by Nevada Landmarks, and I found none to be located in the vicinity of the trestle.

I have read Chapter LVIII, Washoe County, by Major G. W. Ingalls, in *The History of Nevada*, edited by Sam P. Davis and published in 1912, and nothing in its detailed discussion of the history of the County touches on the area in which the trestle is located.

The trestle itself is of nothing out of the ordinary. It is a two span timber pile open trestle as have been routinely constructed by the railroads in the West.

I hope that based upon the additional information I have furnished you will agree that the trestle does not meet the criteria for listing on the National Register of Historic Places.

Sincerely yours,

  
Fritz R. Kahn

cc: Victoria J. Rutson, Esq.





STATE OF NEVADA  
 DEPARTMENT OF CULTURAL AFFAIRS  
 State Historic Preservation Office  
 100 N. Stewart Street  
 Carson City, Nevada 89701  
 (775) 684-3448 • Fax (775) 684-3442  
 www.nvshpo.org

MICHAEL E. FISCHER  
 Department Director

RONALD M. JAMES  
 State Historic Preservation Officer

March 23, 2011

Fritz R. Kahn, P.C.  
 1920 N Street NW (8th Floor)  
 Washington DC 20036

RE: Petition for Exemption with the Surface Transportation Board for Authority to Abandon Its Railroad Line between Milepost 338.33 near Flanigan, NV and Milepost 360.10 near Wendel, CA (Undertaking #2011-1486).

Dear Mr. Kahn:

The Nevada State Historic Preservation Office (SHPO) reviewed your request for comments on the subject undertaking. Your letter indicates that Lassen Valley Railway LLC is only aware of one structure in Nevada that is historic. This structure is described as originally constructed in 1936 and there have been no alterations to the structure since its placement on the line.

Your letter states that based on information in LVR's possession, but not included in this submission, LVR does not believe that the trestle is not eligible for the National Register of Historic Places.

The SHPO cannot concur with this determination for the following reason:

Your submission did not contain an historic context which is necessary to evaluate the National Register eligibility of this resource. A determination of National Register eligibility under any of the Secretary's criteria should contain a discussion of the significant historic trends for the region. A discussion of resource integrity, and a final determination of National Register eligibility, should be completed within this context.

If you have any questions concerning this correspondence, please feel free to contact me at (775) 684-3443 or by e-mail at [Rebecca.Palmer@nevadaculture.org](mailto:Rebecca.Palmer@nevadaculture.org).

Sincerely,

Rebecca Lynn Palmer, Deputy  
 State Historic Preservation Officer

SURFACE TRANSPORTATION BOARD  
WASHINGTON, DC

STB Docket No. AB-1074X

LASSEN VALLEY RAILWAY, LLC  
--PETITION FOR ABANDONMENT EXEMPTION--  
IN WASHOE COUNTY, NV, AND LASSEN COUNTY, CA

VERIFIED STATEMENT  
OF  
MICHAEL J. VAN WAGENEN

My name is Michael J. Van Wagenen, and I am the Vice President of the  
Petitioner, Lassen Valley Railway, LLC ("LVR").

LVR's railroad line extends between Milepost 338.33 near Flanigan, Washoe  
County, Nevada, and Milepost 359.25 near Wendel, Lassen County, California, a  
distance of 21.77 miles. The line traverses U.S. Postal Service Zip Codes 89405, 96113,  
96130 and 96136, and there is no station on the line.

The line was acquired as a rail carrier by LVR from its former owner and  
operator, Union Pacific Railroad Company ("UP"), pursuant to the Notice of Exemption  
in STB Finance Docket No. 35306, Lassen Valley Railway LLC--Acquisition and  
Operation Exemption--Union Pacific Railroad Company, served December 3, 2009, 74  
Fed. Reg. 63501, December 3, 2009. UP had been authorized to abandon the line,  
including the embraced remnant of the Susanville Industrial Lead between Milepost  
358.68 and Milepost 359.25 near Wendel, by Decision of the Board in STB Docket No.  
33 (Sub-No. 230X), Union Pacific Railroad Company--Abandonment Exemption--in

Lassen County, CA and Washoe County, NV, served January 26, 2007, the effective date of which was deferred by Decisions served February 2, 2007, August 5, 2008, and September 19, 2008, until October 19, 2008. A map of the line sought to be abandoned by UP is attached as Exhibit A. In its Decision the Board noted that, since 2004, there had been no shipper on the line, and the only traffic which had moved on the line was by UP's contractors of scrap railroad track materials from abandoned UP railroad lines. Nevertheless, UP did not consummate the abandonment.

Lassen County believed preserving the line as an active line of railroad was important to County's economic development and asked UP to defer abandoning the line while the County tried to come up with the financing to acquire the line. UP agreed and allowed the County until August 17, 2009, to come up with a proposal for the acquisition of the line. Attached as Exhibit B is a copy of UP's letter to the Chairman of the County's Board of Supervisors, dated June 16, 2009. On August 6, 2009, I notified Mr. John T. Ketelsen, Administrative Officer of Lassen County, that an affiliate of LVR, V&S Railway, LLC, very well may be interested in buying the line from the UP, and he in turn advised County's Board of Supervisors. Attached as Exhibit C is a copy of Mr. Ketelsen's memorandum to the Board of Supervisors. At its meeting of August 11, 2009, the Board of Supervisors agreed that V&S Railway, LLC or an affiliate should acquire the line from the UP and operate it for at least one year's time. Attached as Exhibit D is a copy of the letter to UP's Messrs. Schultze and Allamong from the Chairman of the County's Board of Supervisors, dated August 11, 2009, urging the UP to go along with the proposed acquisition and operation.

On August 10, 2009, LVR advised the County and its two potential shippers, HL Power Company and Mr. Vincent P. Estell, that it would agree to purchase the line from UP and operate it as an active line of railroad for at least one year's time. Attached as Exhibit E is a copy of the e-mail which I sent to the various parties confirming that LVR would purchase the line from UP and keep the track in place for at least one year.

The year was up December 17, 2010. In the meantime, HL Power Company, the plant of which is approximately two miles distant from the line which LVR was authorized by the Board to acquire and operate, has installed no connecting track and has neither tendered nor received any traffic for handling by LVR. Similarly, the site which Mr. Estell hopes to develop is approximately two miles removed from the LVR's line, and Mr. Estell has laid no track connecting his site to the LVR and has neither tendered nor received any traffic for transportation by LVR. There are no other shippers on the LVR.

On January 17, 2011, I sent a letter to Mr. Ralph Sanders, Plant Manager of HL Power Company, and Mr. Estell requesting them to give me an update on their operations and their need for rail services. Attached as Exhibit F are copies of my letter and FedEx's confirmation of its delivery. I received no response from either HL Power Company or Mr. Estell.

On February 11, 2011, I sent another letter to Mr. Sanders and Mr. Estell advising them that LVR was considering abandonment of the railroad and inviting them to make an offer to acquire the line if they had a need for railroad service. Attached as Exhibit G are copies of my letter and FedEx's confirmation of its delivery. I received no written response from either HL Power Company or Mr. Estell.

In early March of 2011, I placed a follow-up telephone call to Mr. Estell to determine what position he took with respect to the retention of LVR's line. He stated that he was trying to convince Lassen County of the importance of keeping the line by acquiring the railroad but to date had not succeeded. He said that he had spoken with Mr. Sanders of HL Power Company, who indicated that HL Power Company was not interested in acquiring the railroad line.

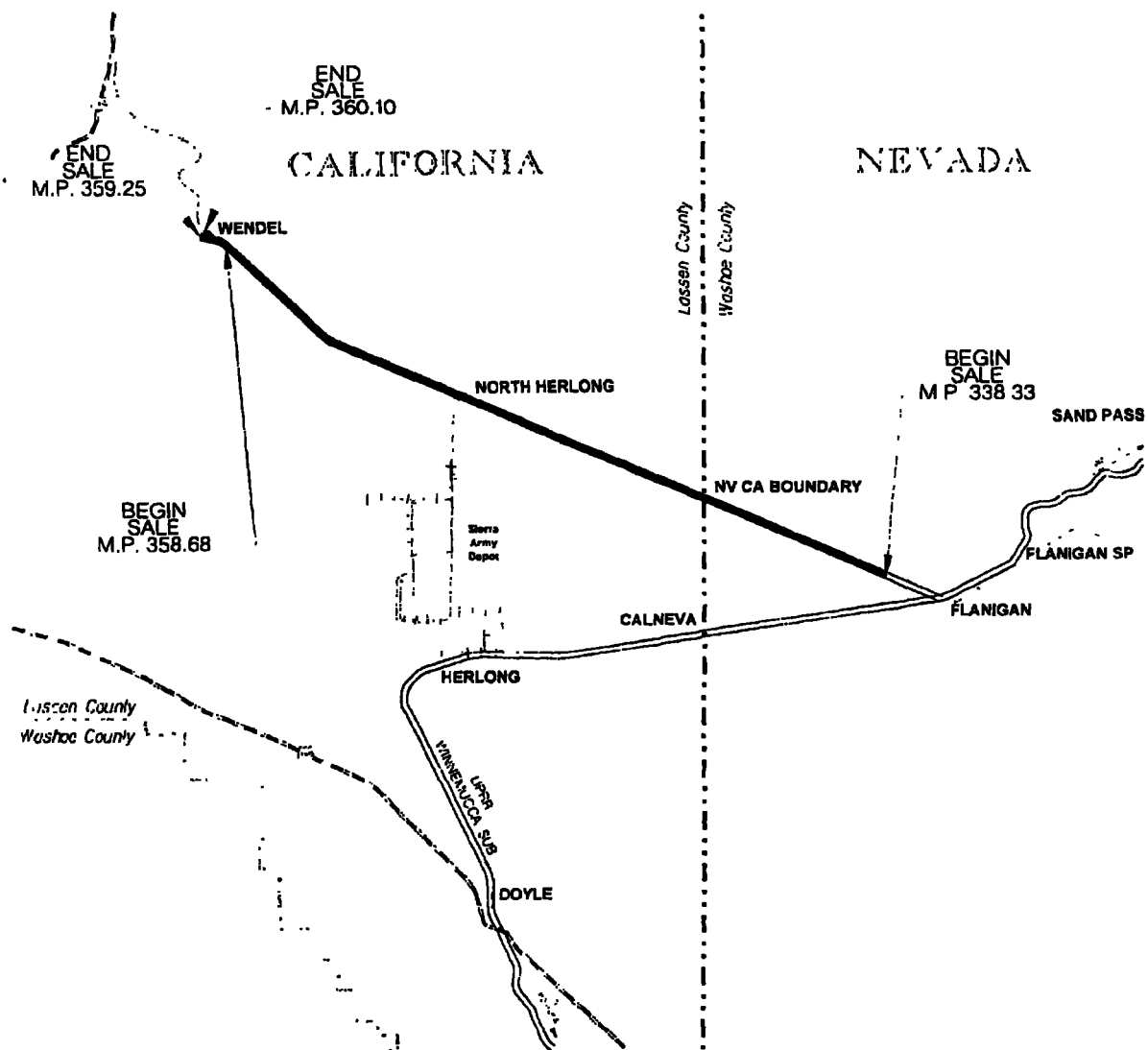
There has been not a single shipment on the LVR the entire time since the Board authorized LVR's acquisition and operation of the Flanigan-to-Wendel line. In other words, no revenue freight has moved on the line since 2004. LVR now seeks to abandon the line so as to be able to salvage and sell the track, ties and other track materials.

I declare under penalty of perjury, under the laws of the United States of America, that I have read the foregoing Verified Statement and that its assertions are true and correct to the best of my knowledge, information and belief. I further declare that I am qualified and authorized to submit this Verified Statement on behalf of Lassen Valley Railway, LLC. I know that willful misstatements or omission of material fact constitute Federal criminal violations punishable under 18 U.S.C. 1001 by imprisonment up to five years and fines up to \$10,000 for each offense. Additionally, these misstatements are punishable as perjury under 18 U.S.C. 1621, which provides for fines up to \$2,000 or imprisonment up to five years for each offense.

Dated at Salt Lake City, Utah, this 15<sup>TH</sup> day of April, 2011.

  
Michael J. Van Wagenen

**EXHIBIT A**



STATION	MILE POST	AGENCY
WENDEL	345.12	HC
NORTH HERLONG	347.8	HC
HERLONG	350.2	NO

#### LEGEND

- UPRR LINES TO BE SOLD**
- OTHER UPRR LINES**
- OTHER RAILROADS**
- RAILROADS (abandoned)**
- PRINCIPAL HIGHWAYS**
- OTHER ROADS**
- 50+ YEAR OLD STRUCTURES**

## EXHIBIT A

### FLANIGAN INDUSTRIAL LEAD

MP 338.33 TO MP 360.10

TOTAL OF 21.77 MILES

IN WASHOE COUNTY, NEVADA - 16.77 MILES

IN LASSEN COUNTY, CALIFORNIA - 5.00 MILES

### SUSANVILLE INDUSTRIAL LEAD

MP 360.10 TO MP 360.10

TOTAL OF 0.00 MILES

IN LASSEN COUNTY, CALIFORNIA - 0.00 MILES

### UNION PACIFIC RAILROAD CO.

CALIFORNIA - NEVADA

SCALE MILES

**EXHIBIT B**



cc: Passarand  
Jack Hanson  
C&D

June 16, 2009

Mr. Lloyd Keefer, Chairman  
Lassen County Board of Supervisors  
221 S. Roop Street, Suite 4  
Susanville, CA 96310

Via Fax

Dear Mr. Keefer:

Union Pacific has considered your May 21 request to Jim Young for a 60 day period in which to develop an offer to acquire the Flanigan to Wendel, CA, line. While UP intends to continue preparations for salvage so that we do not miss the current construction season, we will forego final execution of a salvage contract until August 17, 2009. The balance of this letter discusses the basic conditions under which we would consider negotiating a sale of the line to Lassen County.

The line available for disposition includes the 21.77 miles of the Flanigan to Wendel line from milepost 338.33 near Flanigan to milepost 360.10 near Wendel, plus the 0.57 mile remnant of the Susanville line at Wendel, both segments having been approved for abandonment by the STB in the most recent proceeding. (UP has ended its common carrier service obligation on the segments as per the STB approval). Added to this would be approximately 5.3 miles of yard and side tracks, including the additional portion of the main line at Wendel from milepost 360.10 to 360.75 that was retained after the earlier Wendel to Alturas abandonment to provide for an access point to HLP. These track materials have a current calculated net liquidation value (NLV) of \$2,184,511. Net liquidation value depicts the amount a railroad would actually "clear" from salvage after deducting all costs of removing the materials. Added to this is a value for the real estate of \$116,679. The combined value, \$2,301,190, is a figure UP could seek as a price for selling the line to the county. Of central importance would be the ability of Lassen County to provide concrete verification of financing and sources of funds of this amount prior to August 17.

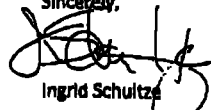
UP assumes that the county would hire an operator to run the line and construct an interchange track at Flanigan. The operator would establish and collect the rates it needs to justify its operations north of Flanigan. UP would establish and collect the rates it needs on its lines beyond Flanigan. The county and any prospective operator must form their own opinions as to the viability of the line to be purchased. UP makes no representations at this time about its service availability and frequency at Flanigan.

The county, HLP, and any potential investors or operators will be responsible for reviewing what changes in circumstances or economics make the line appear viable now. Two past attempts by UP to sell the segments foundered in part due to HLP's position that UP biomass rates were too high.

Please confirm for us whether or not the county intends to utilize the proposed evaluation period. Under UP policy, an official offer and acceptance regarding a line sale exists only upon completion of a line sale contract and approval by UP senior management.

If you have any questions regarding line sale procedures, please feel free to contact me at 402-544-3169. Business development opportunities may be referred to Paul MacDonald at 916-789-6155.

Sincerely,



Ingrid Schuitze  
Senior Director-Interline Marketing

Cc: Gary Hunter, Railroad Industries, Inc.  
Wesley Lujan, UP Government Affairs

**EXHIBIT C**

County of Lassen  
**ADMINISTRATIVE SERVICES**



**ROBERT F. PYLE**  
District 1  
**JIM CHAPMAN**  
District 2  
**LLOYD I. KEEFER**  
District 3  
**BRIAN D. DAHLE**  
District 4  
**JACK HANSON**  
District 5

**John T. Ketelsen**  
County Administrative Officer  
email: jketelsen@co.lassen.ca.us

**Julie Morgan**  
Assistant to the CAO  
email: jmorgan@co.lassen.ca.us

**Regina Schaap**  
Administrative Assistant  
email: rschaap@co.lassen.ca.us

County Administration Office  
221 S. Roop Street, Suite 4  
Susanville, CA 96130  
Phone: 530-251-8333  
Fax: 530-251-2663

## Memorandum

**Date:** August 6, 2009  
**Meeting Date:** August 11, 2009  
**To:** Board of Supervisors  
**From:** John T. Ketelsen, CAO

---

**Subject:** Wendel / Flanagan Rail line

**Issue:** Whether to support the purchase of the above referenced railroad line by V&S Railways, LLC?

**Discussion:** Union Pacific has granted the County until August 17<sup>th</sup> to make an offer for the acquisition of the rail line (see letter dated June 16, 2009.) The County is not interested in owning or operating a rail road. However, in the name of economic development the Board may be interested in supporting its acquisition by others who will operate it to support enterprises or firms which require such ancillary resources. To move the process along the County paid for an appraisal of the line by Rail Road Inc. (See copy of appraisal attached.)

Staff and Jack Hanson have met with various parties over the last couple of months regarding the acquisition, use and / or operation of the Wendel to Flanagan railroad line. This effort has resulted in the offer by V&S Railways LLC (see letter dated August 6, 2009.)

If the Board is interested in supporting acquisition by V&S, a letter has been prepared for the Chairman's signature.

*County of Lassen*  
**ADMINISTRATIVE SERVICES**

---

**ROBERT F. PYLE**

*District 1*

**JIM CHAPMAN**

*District 2*

**LLOYD I. KEEFER**

*District 3*

**BRIAN D. DAHLE**

*District 4*

**JACK HANSON**

*District 5*

**John T. Ketelsen**  
*County Administrative Officer*  
email: [john.ketelsen@co.lassen.ca.us](mailto:john.ketelsen@co.lassen.ca.us)

**Julie Morgan**  
*Assistant to the CAO*  
email: [jmorgan@co.lassen.ca.us](mailto:jmorgan@co.lassen.ca.us)

**Regina Schaap**  
*Administrative Assistant*  
email: [rschaap@co.lassen.ca.us](mailto:rschaap@co.lassen.ca.us)

County Administration Office  
221 S. Roop Street, Suite 4  
Susanville, CA 96130  
Phone: 530-251-8333  
Fax: 530-251-2663

August 6, 2009

Ingrid Schultze  
Senior Director Interline Marketing  
Union Pacific Railroad  
1400 Douglas Street  
Omaha, NE 68179-1350

RE: Rail Line from Flanigan, Nv. to Wendel, Calif.

Dear Ms. Ingrid Schultze

On August 11, 2009 the Board of Supervisors of Lassen County authorized me to send this letter in support of the acquisition of the above referenced line by V & S Railways, LLC or a subsidiary thereof. In your letter of June 16<sup>th</sup>, 2009 you indicated that Union Pacific would allow the County until August 17<sup>th</sup> to come up with a plan for the acquisition of said rail line so long as evidence of financing is presented. It is our understanding that V&S Railways can satisfy your condition that financing is available. This transaction, once consummated, will satisfy the County's interests in preserving the line for future commercial activity along the existing corridor. I thank you in advance for your cooperation in this matter.

Sincerely,

Lloyd Keefer, Chairman  
Lassen County Board of Supervisors

cc. Gary Hunter, Railroad Industries, Inc.  
Ralph Sanders, Honey Lake Power  
Vince Estell

**EXHIBIT D**

**County of Lassen**  
**ADMINISTRATIVE SERVICES**

---



**ROBERT P. FYLE**  
District 1  
**JIM CHAPMAN**  
District 2  
**LLOYD L. KEEPER**  
District 3  
**BRIAN D. DANLE**  
District 4  
**JACK WANDON**  
District 5

**John T. Ketelsen**  
County Administrative Officer  
email: [coadmin@co.lassen.ca.us](mailto:coadmin@co.lassen.ca.us)

**Julie Morgan**  
Assistant to the CAO  
email: [jmorgan@co.lassen.ca.us](mailto:jmorgan@co.lassen.ca.us)

**Regina Schaap**  
Administrative Assistant  
email: [rschaap@co.lassen.ca.us](mailto:rschaap@co.lassen.ca.us)

County Administration Office  
221 S. Reed Street, Suite 4  
Susanville, CA 96130  
Phone 530-251-8333  
Fax: 530-251-2663

August 11, 2009

Ingrid Schultze  
Senior Director Interline Marketing  
Union Pacific Railroad  
1400 Douglas Street  
Omaha, NE 68179-1350  
[ischultze@up.com](mailto:ischultze@up.com)

Mr. Ray Allamong  
Senior Manager, Rail Line Planning  
Union Pacific Railroad  
1400 Douglas Street  
Omaha, NE 68179 -1350  
[rallamong@up.com](mailto:rallamong@up.com)

RE: Rail Line from Flanigan, Nv. to Wendel, Calif.

Dear Ms. Ingrid Schultze:

On August 11, 2009 the Board of Supervisors of Lassen County authorized me to send this letter in support of the acquisition of the above referenced line by V & S Railways, LLC or a subsidiary thereof. In the letter of June 16<sup>th</sup>, 2009 Union Pacific allowed the County until August 17<sup>th</sup> to come up with a plan for the acquisition of said rail line so long as evidence of financing is presented. It is our understanding that V&S Railways can satisfy your condition that financing is available. This transaction, once consummated, will satisfy the County's interests in preserving the line for future commercial activity along the existing corridor.

It is the County of Lassen's understanding that there is now an agreement between the potential shippers and V&S Railways that upon acquisition V&S will maintain the line in tact for shipping for no less than a year allowing the shippers to put their operations in place for use. In addition, the agreement contemplates an option for the shippers to acquire the line in the future.

I thank you in advance for your cooperation in this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "Lloyd Keefer", written over the printed name.

Lloyd Keefer, Chairman  
Lassen County Board of Supervisors

cc. Gary Hunter, Railroad Industries, Inc  
Ralph Sanders, Honey Lake Power  
Vince Estell



**EXHIBIT E**

**Michael VanWagenen**

---

**From:** Michael VanWagenen  
**Sent:** Monday, August 10, 2009 3 28 PM  
**To:** 'John Ketelsen'  
**Cc:** estelco@hotmail.com; rsanders@hipower.com; Jack Hanson; gvh@railroadindustries.com; railindinc@worldnet.att.net  
**Subject:** RE Flanigan to Wendel RR Line

Gentlemen: Further to our discussion this morning, I am providing a summary of our position with a proposal on what we are prepared to do. Please note the following:

1. Lassen County ("County") has indicated its desire that the railroad line between Flanigan and Wendell remain in place. However, the County desires to fulfill the role of a facilitator between Union Pacific Railroad and the shortline railroad rather than an owner of the railroad line.
2. Lassen Valley Railway, LLC (a new company affiliate of V and S Railway, LLC) ("LVR") has agreed to purchase the railroad line from Union Pacific Railroad Company ("UPRR") for the price offered to Lassen County.
3. LVR has agreed to hire Gary Hunter [the consultant for the County] to finalize the purchase between LVR and UPRR.
4. There are two potential shippers [HL Power Company and Vincent Estell] ("Shippers") who are desirous of future rail service. It is understood that it will take the Shippers approximately a year to permit their projects.
5. The Shippers would like a commitment from LVR that it will leave the railroad line in place for a period of at least a year, in order that they may be able to secure funding for the development of their respective projects.
6. LVR will work with the Shippers to determine when rail service may commence on the railroad line. The Shippers will develop a forecast of their future railroad needs for a three to five year period.
7. LVR is willing to make the following representation to the County and the Shippers.
  - a. LVR will agree not to remove the railroad track materials for a period of at least one (1) year.
  - b. A year after purchasing the railroad line from the UPRR, LVR will make a determination as to whether it wants to continue the ownership of the railroad line. This analysis will be based in large part on the progress of each Shipper in development of a plan to utilize rail service.
  - c. If LVR shall decide to divest itself of the railroad line, it will give the Shippers [jointly or severally] the opportunity to purchase the railroad line from LVR. LVR will agree to give the Shippers at least 60 days advance notice.
  - d. The Shippers shall have the option to purchase the railroad line from LVR for the original purchase price, plus five (5%) or the current market value, whichever is higher.
8. Of course, the option is contingent on LVR being able to close on the purchase from UPRR.

If the Shippers desire to have this option, please respond accordingly to this message. If you have any questions, please advise. Thank you and Best Regards, Michael

Michael J. Van Wagenen  
Vice President  
V and S Railway, LLC  
1505 South Redwood Road  
Salt Lake City, Utah 84104  
(801) 977-6346

**EXHIBIT F**



# Lassen Valley Railway, LLC

1505 South Redwood Road  
Salt Lake City, UT 84104

P.O. Box 26421  
Salt Lake City, UT 84126  
Phone: (801) 972-8330  
Fax: (801) 478-2868

Ralph Sanders  
Plant Manager  
HL Power Company  
732-025 Wendel Rd.  
Wendel, CA 96136

Vincent P. Estell  
Investments & Developments  
Estelco  
2937 Veneman Ave Ste. A105  
Modesto, CA 95356

Re: Lassen Valley Railroad Operations

Gentlemen:

It has now been more than a year since we acquired this railroad. Will you please give me an update on your operations and your need for rail services? Thank you.

Best Regards,

Michael J Van Wagenen  
Vice President



FedEx Express  
Customer Support Trace  
3875 Airways Boulevard  
Module H, 4th Floor  
Memphis, TN 38116

U.S. Mail PO Box 727  
Memphis, TN 38194-4643  
Telephone 901-369-3800

March 24, 2011

Dear Customer:

The following is the proof-of-delivery for tracking number **870436158524**

---

**Delivery Information:**

<b>Status:</b>	Delivered	<b>Delivered to:</b>	Receptionist/Front Desk
<b>Signed for by:</b>	G CORDAL	<b>Delivery date:</b>	Jan 18, 2011 10 44
<b>Service type:</b>	Priority Envelope		

**NO SIGNATURE IS AVAILABLE**

FedEx Express proof-of-delivery details appear below, however, no signature is currently available for this shipment. Please check again later for a signature.

---

**Shipping Information:**

<b>Tracking number:</b>	870436158524	<b>Ship date:</b>	Jan 17, 2011
		<b>Weight:</b>	0.5 lbs/0.2 kg

**Recipient:**  
US

**Shipper:**  
SAL US

Thank you for choosing FedEx Express.

FedEx Worldwide Customer Service  
1 800.GoFedEx 1 800 463 3339



FedEx Express  
Customer Support Trace  
3875 Airways Boulevard  
Module H, 4th Floor  
Memphis, TN 38116

U S Mail PO Box 727  
Memphis, TN 38194-4643  
Telephone. 901-369-3600

March 24, 2011

Dear Customer:

The following is the proof-of-delivery for tracking number **862793338454**

---

**Delivery Information:**

<b>Status:</b>	Delivered	<b>Delivered to:</b>	Receptionist/Front Desk
<b>Signed for by:</b>	K.PRINCE	<b>Delivery date:</b>	Jan 18, 2011 12.41
<b>Service type:</b>	Priority Envelope		

**NO SIGNATURE IS AVAILABLE**

FedEx Express proof-of-delivery details appear below, however, no signature is currently available for this shipment. Please check again later for a signature.

---

**Shipping Information:**

<b>Tracking number:</b>	862793338454	<b>Ship date:</b>	Jan 17, 2011
		<b>Weight:</b>	0.5 lbs/0.2 kg

**Recipient:**  
US

**Shipper:**  
SAL US

Thank you for choosing FedEx Express.

FedEx Worldwide Customer Service  
1 800.GoFedEx 1.800.463.3339

**EXHIBIT G**



# Lassen Valley Railway, LLC

1505 South Redwood Road  
Salt Lake City, UT 84104

P.O. Box 26421  
Salt Lake City, UT 84126  
Phone: (801) 972-8330  
Fax: (801) 478-2868

Ralph Sanders  
Plant Manager  
HL Power Company  
732-025 Wendel Rd.  
Wendel, CA 96136

Vincent P. Estell  
Investments & Developments  
Estelco  
2937 Veneman Ave Ste. A105  
Modesto, CA 95356

Re: Lassen Valley Railroad

Gentlemen:

We are considering the abandonment of the railroad. If you still have a desire to acquire the line, please submit your offer. Thank you.

Best Regards,

Michael J Van Wagenen  
Vice President





FedEx Express  
Customer Support Trace  
3875 Airways Boulevard  
Module H, 4th Floor  
Memphis, TN 38116

U S Mail PO Box 727  
Memphis, TN 38194-4643  
Telephone: 901-369-3600

March 24, 2011

Dear Customer,

The following is the proof-of-delivery for tracking number 796755293405

---

**Delivery Information:**

<b>Status:</b>	Delivered	<b>Delivered to:</b>	Shipping/Receiving
<b>Signed for by:</b>	K.PRINCE	<b>Delivery location:</b>	WENDEL, CA
<b>Service type:</b>	Priority Envelope	<b>Delivery date:</b>	Feb 14, 2011 14 09

**NO SIGNATURE IS AVAILABLE**

FedEx Express proof-of-delivery details appear below, however, no signature is currently available for this shipment. Please check again later for a signature.

---

**Shipping Information:**

<b>Tracking number:</b>	796755293405	<b>Ship date:</b>	Feb 11, 2011
		<b>Weight:</b>	0 5 lbs/0 2 kg

**Recipient:**  
WENDEL, CA US

**Shipper:**  
SALT LAKE, UT US

Thank you for choosing FedEx Express.

FedEx Worldwide Customer Service  
1 800.GoFedEx 1 800 463.3339



FedEx Express  
Customer Support Trace  
3875 Airways Boulevard  
Module H, 4th Floor  
Memphis, TN 38116

U S Mail PO Box 727  
Memphis, TN 38194-4643  
Telephone 901-369-3600

March 24, 2011

Dear Customer

The following is the proof-of-delivery for tracking number **794418222017**

---

**Delivery Information:**

<b>Status:</b>	Delivered	<b>Delivered to:</b>	Receptionist/Front Desk
<b>Signed for by:</b>	S.CORDALL	<b>Delivery location:</b>	MODESTO, CA
<b>Service type:</b>	Standard Envelope	<b>Delivery date:</b>	Feb 14, 2011 14 03

**NO SIGNATURE IS AVAILABLE**

FedEx Express proof-of-delivery details appear below, however, no signature is currently available for this shipment. Please check again later for a signature.

---

**Shipping Information:**

<b>Tracking number:</b>	794418222017	<b>Ship date:</b>	Feb 11, 2011
		<b>Weight:</b>	0.5 lbs/0.2 kg

**Recipient:**  
MODESTO, CA US

**Shipper:**  
SALT LAKE, UT US

Thank you for choosing FedEx Express

FedEx Worldwide Customer Service  
1.800.GoFedEx 1.800.463.3339



# Shipment Receipt Address Information

<b>Ship to:</b>	<b>Ship from:</b>
RALPH SANDERS	MICHAEL VAN
	WAGENEN
UIL POWER COMPANY	LASSEN VALLEY
	RAILROAD
732-025 WENDEL RD	1505 S. REDWOOD ROAD
WENDEL, CA	SALT LAKE, UT
96136	84104
US	US
5302546161	8019776346

## Shipping Information

Tracking number: 796755293405  
 Ship date: 02/11/2011  
 Estimated shipping charges: 0.00

## Package Information

Service type: Priority Overnight  
 Package type: FedEx Envelope  
 Number of packages: 1  
 Total weight: 0.50LBS  
 Declared value: 0.00USD  
 Special Services:  
 Pickup/Drop-off: Use an already scheduled pickup at my location

## Billing Information

Bill transportation to: Third Party  
 Your reference:  
 P.O. no.:  
 Invoice no.:  
 Department no.:

Thank you for shipping online with FedEx ShipManager at [fedex.com](http://fedex.com)

## Please Note

FedEx will not be responsible for any claim in excess of \$500 per package, whether the result of loss, damage, delay, non-delivery, misdelivery or misrouting, when you declare a higher value. Pay an additional charge, document your actual loss and file a timely claim. Limitations found in the current FedEx Service Guide apply. Your right to recover from FedEx for any loss, including return value of the package, loss of sales, income, interest, profit, attorney's fees, costs and other forms of damage, whether direct, incidental, consequential, or special is limited to the greater of \$100 or the insured declared value. Recovery cannot exceed actual documented loss. Maximum for items of extraordinary value is \$500, e.g., jewelry, precious stones, negotiable instruments and other items listed in our Service Guide. Written claims must be filed within 90 days. Consult the applicable FedEx Service Guide for details. The estimated shipping charge may be different from the actual charges for your shipment. Differences may occur based on actual weight, dimensions, and other factors. Consult the applicable FedEx Service Guide or the FedEx Rate Sheet for details on how shipping charges are calculated.

## VERIFICATION

I, Kern W. Schumacher, Managing Member of Lassen Valley Railway, LLC, declare under penalty of perjury, under the laws of the United States of America, that I have read the foregoing Notice of Exemption and that its assertions are true and correct to the best of my knowledge, information and belief. I further declare that I am qualified and authorized to submit this verification on behalf of Lassen Valley Railway LLC. I know that willful misstatements or omission of material fact constitute federal criminal violations punishable under 18 U.S.C. 1001 by imprisonment up to five years and fines up to \$10,000 for each offense. Additionally, these misstatements are punishable as perjury under 18 U.S.C. 1621, which provides for fines up to \$2,000 or imprisonment up to five years for each offense.

Dated at Salt Lake City, UT this 15<sup>th</sup> day of April, 2011

  
\_\_\_\_\_  
Kern W. Schumacher